Applied Materials Inc.

2024 CDP Corporate Questionnaire 2024

Word version

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C1. Introduction

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Applied Materials Inc Nasdaq AMAT provides manufacturing equipment services and software to the semiconductor display and related industries Founded in 1967 Applied Materials is the leader in materials engineering solutions used to produce virtually every new chip and advanced display in the world Our expertise in modifying materials at atomic levels and on an industrial scale enables customers to transform possibilities into reality From our commitment to the wellbeing of our employees and their communities to our sustainable and ethical business practices we are focused on our goal to Make Possible a Better Future. Applied Materials is committed to growing profitably and sustaining our business in an environmentally and socially responsible manner We use our resources and technology leadership to enable the creation of products that improve the way people live As of the end of Fiscal Year 2023 (FY23) Applied Materials employed approximately 34,000 regular fulltime employees and owned a total of approximately 8,558,000 square feet of space and leased another 4,642,000 square feet of space for offices plants and warehouses and research and development centers.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

10/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:
☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:
☑ 4 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:
☑ 4 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:
☑ 2 years
[Fixed row]

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

038222105

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

AMAT

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.8) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
	Select from: ☑ Yes, for some facilities	*We are providing locations for the two key facilities identified in high water risk regions specified in our disclosure*

[Fixed row]

(1.8.1) Please provide all available geolocation data for your facilities.

Row 1

(1.8.1.1) Identifier

Rehovot, Israel

(1.8.1.2) Latitude

31.892773

(1.8.1.3) Longitude

34.811272

(1.8.1.4) Comment

Applied Materials has 1 campus containing 3 buildings in Rehovot, Israel. Applied manages all aspects of water use and discharge properly and according to regulatory requirements. Any risks that may interrupt our operations are evaluated and mitigated through our business continuity planning.

Row 2

(1.8.1.1) Identifier

Xi'an, China

(1.8.1.2) Latitude

34.3416

(1.8.1.3) Longitude

108.9398

(1.8.1.4) Comment

Applied Materials has one campus containing 2 buildings in Xi'an, China. These buildings consist of lab and office space. The site manages all aspects of water use and discharge properly and according to regulatory requirements. Water-stress-related impacts are unlikely to cause substantive financial impact but could interrupt strategic R&D operations. Any risks that may interrupt our operations are evaluated and mitigated through our business continuity planning.
[Add row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

Applied sends an annual survey to our top 80% spend suppliers that includes information gathering on sub-tier suppliers. Due to the highly sensitive IP nature of our business and industry, we are unable to disclose further details of our supply chain composition.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Value chain stages covered in mapping
	Select from: ☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain	*Select all that apply* ☑ Upstream value chain ☑ Downstream value chain

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Most of Applied's strategic and financial planning occurs within this timeframe.

Medium-term

(2.1.1) From (years)

6

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This timeframe is considered longer-range for Applied's strategic and/or financial planning; however, the applicability of this time horizon depends on what aspect of the business is being considered. For example, planning for infrastructure/construction projects may align with this time horizon.

Long-term

(2.1.1) From (years)

11

(2.1.2) Is your long-term time horizon open ended?

Select from:
☑ No

(2.1.3) To (years)

30

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This time horizon is primarily used for considerations around environmental dependencies, impacts, risks, and opportunities.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Partial

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ RBA Country Risk Assessment Tool

☑ WRI Aqueduct

Enterprise Risk Management

☑ Internal company methods

☑ Stress tests

International methodologies and standards

☑ IPCC Climate Change Projections

☑ ISO 14001 Environmental Management Standard

☑ Life Cycle Assessment

Other

☑ Desk-based research

☑ External consultants

☑ Materiality assessment

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought
☑ Wildfires
☑ Heat waves
☑ Cold wave/frost
☑ Cyclones, hurricanes, typhoons
☑ Flood (coastal, fluvial, pluvial, ground water)
☑ Storm (including blizzards, dust, and sandstorms)

Chronic physical

☑ Changing wind patterns
☑ Declining water quality
☑ Water stress

Policy

☑ Carbon pricing mechanisms
☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

Technology

☑ Transition to lower emissions technology and products

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Regulators
☑ Local communities
☑ Water utilities at a local level

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ Yes

(2.2.2.16) Further details of process

In FY2023 Applied conducted a comprehensive refresh of its climate and water risk and opportunities assessment and scenario analysis with support from an external consultant. The process incorporated an evaluation of key dependencies, impacts, risks, and opportunities across the business. Identification process: •Engaging stakeholders through interviews, workshops, and surveys. •Developing a list of risks and opportunities using a combination of internal documentation, peer benchmarking, industry guidance, and desktop research •Refining an initial universe of climate-related risks and opportunities to 15 relevant to Applied through a workshop and stakeholder survey. Assessment process: •The criteria used to assess key risks and opportunities included the scale, scope, likelihood, and mitigation capability. •Physical risks were assessed across all three time horizons while transition risks were assessed at short- and medium-term time horizons due to the rapid pace of change in the semiconductor industry •Two future pathways were considered for the climate scenario analysis: oLow Carbon Pathway: Assumes regulation and collective action will limit the greatest physical impacts of climate change by keeping global temperature increase below 2 Celsius oHigh Carbon Pathway: Assumes low collective action against climate change and a greater degree of global warming. •Physical climate risk: Exposure to 9 hazards was assessed for sites representing over 80% of our footprint oExposure to the hazards was assessed under two IPCC-aligned scenarios (RCP 2.6-SSP1 and RCP 8.5-SSP5) •Water risk was assessed through a site-level water-stress analysis oThe analysis used the WRI Aqueduct 3.0 water risk framework to project future water stress under three scenarios and medium and long-term time horizons. oThis was supplemented by qualitative analysis of three other elements of water risk: power supply, water quality, and water-related conflict. •Transition risks considered carbon pricing, regulations on process chemicals, R&D capabilities, product capabilities, and customer demand shifts. •Quantitative and qualitative analysis results were reviewed and refined through the stakeholder engagement process •In addition to this analysis, climate-related risks are evaluated by executives relative to other multi-disciplinary company-wide risks in Applied's enterprise risk management annual survey. Management of risks and opportunities: •Management is shared across various stakeholders whose roles and responsibilities tie to the related risk or opportunity. These stakeholders participate throughout the assessment process and are aware of the findings. For example, acute physical site-level risks are managed by a core team of global emergency response, business continuity, and local facilities personnel. •Transition risks such as the monitoring and preparation for new climate-related legislation / regulations such as those recently enacted in Europe, the UK, California, and the U.S. are managed and addressed by multi-stakeholder teams including Legal, Government Affairs, EHS, ESG, Supply Chain, Global Trade, Product teams, and any other teams relevant to the regulation. •Market and Technology-related issues are managed by Applied's Semiconductor Products Group, which includes a team specialized in sustainability and deploying solutions that enable customers to reduce their climate impacts associated with semiconductor manufacturing.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Applied's environmental materiality assessment process is the primary mechanism through which dependencies, potential impacts, risks and opportunities are identified and prioritized across environmental issues. Environmental materiality is evaluated through a structured internal stakeholder engagement process as well as using the Datamaran ESG platform, which screens various external data sources to identify material ESG issues specific to Applied's industry and key external stakeholders (competitors, customers, regulators, etc.). This blended approach enables the company ito bring together a wide set of data inputs into the assessment process to ensure that interconnections are sufficiently evaluated. The interconnections and dependencies amongst the risks, opportunities and impacts analyzed in the annual climate and water risk assessment were considered and discussed throughout the stakeholder engagement process. A diverse group of stakeholders was engaged, representing various parts of the business (Finance, Legal, EHS, Business Continuity (BCP), Facilities, Supply Chain, Product, ESG, and others) to ensure interconnections could be identified through different viewpoints. Senior leadership stakeholders were also engaged to ensure that interconnections and dependencies could be sufficiently identified. These considerations were factored into the identification and prioritization of risks and opportunities – the areas where there were the greatest interdependencies and potential impacts drove the prioritization of those issues.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☑ Areas of limited water availability, flooding, and/or poor quality of water

(2.3.4) Description of process to identify priority locations

As part of Applied's physical climate and water risk assessment process, Applied's top site locations (representing over 80% of our footprint) were assessed for water-stress-related risks across varying scenarios. The analysis used the WRI Aqueduct 3.0 water risk framework to project future water stress under three scenarios (SSP2-RCP4.5, SSP2-RCP8.5, and SSP3-RCP8.5) and medium-term and long-term time horizons. Through this analysis, site locations with the greatest exposure to water-related risks (located in regions of "High" or "Extremely High" water stress) including water supply, quality, and potential flooding, were identified. Additionally, Applied uses the RBA's RMI Global Risk Map to review the risk scores of our suppliers. The risk score considers a variety of categories, including water-related risk. Supplier sites are identified based on the water stress index score (which is assessed via the WRI Aqueduct database) – those scoring in the higher-risk score threshold that fall within the top 80% of spend are prioritized for further assessment and engagement. Additionally, Applied uses the RBA's RMI Global Risk Map to review the risk scores of our suppliers. The risk score considers a variety of categories, including water-related risk. Supplier sites are identified based on the water stress index score (which is assessed via the WRI Aqueduct database) – those scoring in the higher-risk score threshold that fall within the top 80% of spend are prioritized for further assessment and engagement.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ Yes, we will be disclosing the list/geospatial map of priority locations

(2.3.6) Provide a list and/or spatial map of priority locations

2.3-priority locations-CDP-2024.pdf
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Indirect operating costs

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Applied Materials defines substantive financial or strategic opportunities as those that could materially positively affect Applied Materials' business, financial performance, customer, and supplier relationships, and/or enhance the company's reputation. Our climate risk and opportunities assessment process include the evaluation and prioritization of emerging and ongoing opportunities, which would be considered substantive based on factors like probability, magnitude, and duration, depending on the scenario. The exact thresholds used to determine whether an impact is substantive are specific to the opportunity type, scenarios, and time horizons evaluated; thus, generalizations on specific thresholds are challenging to define. The provided range is based on current business conditions and our understanding of the potential revenue implications of identified physical and transition risks. Climate and water-related risks and opportunities are evaluated through a structured internal environmental materiality engagement process as well as using the Datamaran ESG platform, which screens various external data sources to identify material ESG issues specific to Applied's industry and key external stakeholders (competitors, customers, regulators, etc.). The materiality of topics are rated based on their potential impact to the business and importance to key external stakeholders. We also view issues through a double-materiality lens, which assesses the ESG factors likely to affect our business (e.g., financial impacts) as well as the factors that our activities may affect, both positively and negatively

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Applied Materials defines substantive financial or strategic impacts as those that could materially and adversely affect Applied Materials' business, financial performance, continuity of operations, and/or cause reputational harm. Our risk assessment processes allow us to evaluate and prioritize the impact of emerging and

ongoing risks, which would be considered substantive based on factors like probability, magnitude, and duration, depending on the scenario. The exact thresholds used to determine whether an impact is substantive are specific to the risk type, scenarios, and time horizons evaluated; thus, generalizations on specific thresholds are challenging to define. The provided range is based on current business conditions and our understanding of the potential revenue implications of identified physical and transition risks. Climate and water-related risks are evaluated through a structured internal environmental materiality engagement process as well as using the Datamaran ESG platform, which screens various external data sources to identify material ESG issues specific to Applied's industry and key external stakeholders (competitors, customers, regulators, etc.). The materiality of risks are rated based on their potential impact to the business and importance to key external stakeholders. We also view issues through a double-materiality lens, which assesses the ESG factors likely to affect our business (e.g., financial impacts) as well as the factors that our activities may affect, both positively and negatively.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

Water pollutants are identified and classified through environmental impact assessments and environmental aspect assessments we make in alignment with our public EHS policy, ISO 14001, ISO 45001, OSHAs Voluntary Protection Program and various EHS risk assessment and compliance programs we have in place. We have an internal chemical SDS CAS number review process for chemicals used onsite where new chemicals are evaluated against relevant environmental regulatory lists such as EPA Total Toxic Organics (TTO) Effluent Guidelines and Consolidated List of Lists under EPCRA, CERCLA and CAA. For US sites that have onsite wastewater treatment systems or discharge to POTW, we evaluate if any chemicals are regulated under semiconductor industry specific pretreatment standards for metals such as cadmium, chromium, copper, lead nickel silver zinc, cyanide. We regularly review chemicals used to maintain compliance with industrial wastewater permits and where applicable implement stormwater management plans and SPCC spill protection and control, etc.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

☑ Other synthetic organic compounds

(2.5.1.2) Description of water pollutant and potential impacts

Synthetic organic compounds that Applied uses and manages include solvents and VOCs such as toluene isopropyl alcohol and methanol. Synthetic organic compounds can persist in the environment and can have a disruptive effect on public health and ecosystem health Toluene is listed in the EPA Drinking Water Contaminant List and methanol is listed in the Consolidated List of Lists under EPCRA, CERCLA and CAA.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Water recycling

☑ Upgrading of process equipment/methods

☑ Beyond compliance with regulatory requirements

☑ Reduction or phase out of hazardous substances

☑ Requirement for suppliers to comply with regulatory requirements

☑ Industrial and chemical accidents prevention, preparedness, and response

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

(2.5.1.5) Please explain

We evaluate the environmental aspects and impacts of water pollutants in alignment with ISO 14001 and various EHS risk assessment and compliance programs. Throughout our facilities we have various levels of protection from organizational to physical and chemical controls. We deploy a hierarchy of control, which prioritizes replacement and minimization of hazardous substances, then implementing engineering controls, then lastly implementing procedural and/or administrative controls such as SWPPP, SPCC solvent management plans, NDPES permits, etc. We also use monitoring wells to determine groundwater quality. We have self-tested

voluntary wells while others are tested by local regulators. In all sites with industrial wastewater treatment, we ensure discharges are in alignment with local permit requirements, including engineering controls, instrumentation and monitoring and sampling and reporting to regulatory agencies. We self-monitor and/or the POTW tests water quality and validates that we meet permit limits. All manufacturing locations have registered ISO 140012015 and ISO 450012018 certifications or are on track to receive certification.

Row 2

(2.5.1.1) Water pollutant category

Select from:

☑ Oil

(2.5.1.2) Description of water pollutant and potential impacts

Oils that Applied uses and manages include diesel, gasoline, hydraulic oil and other commonly used industrial oils. Oil pollution can damage ecosystems and contaminate water for drinking and other purposes. Stormwater management is particularly important for oils that exist on impervious surfaces and can reach local ecosystems in bad weather. Gasoline is listed in the EPA Superfund Chemicals List and IARC Group 2B possibly carcinogenic to humans list.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Water recycling

☑ Upgrading of process equipment/methods

☑ Beyond compliance with regulatory requirements

☑ Reduction or phase out of hazardous substances

☑ Requirement for suppliers to comply with regulatory requirements

☑ Industrial and chemical accidents prevention, preparedness, and response

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

(2.5.1.5) Please explain

We evaluate the environmental aspects and impacts of water pollutants in alignment with ISO 14001 and various EHS risk assessment and compliance programs. Throughout our facilities we have various levels of protection from organizational to physical and chemical controls. We deploy a hierarchy of control, which prioritizes replacement and minimization of hazardous substances, then implementing engineering controls, then lastly implementing procedural and or administrative controls such as SWPPP, SPCC solvent management plans, NDPES permits, etc. We also use monitoring wells to determine groundwater quality. We have self-tested voluntary wells, while other wells are tested by local regulators. In all sites with industrial wastewater treatment, we ensure discharges are in alignment with local permit requirements, including engineering controls, instrumentation and monitoring and sampling and reporting to regulatory agencies. We self-monitor and/or the POTW tests water quality and validates that we meet permit limits. All manufacturing locations have registered ISO 140012015 and ISO 450012018 certifications or are on track to receive certification.

Row 3

(2.5.1.1) Water pollutant category

Select from:

☑ Inorganic pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Inorganic pollutants that Applied uses and manages include heavy metals such as copper and acids, i.e., hydrofluoric acid, nitric acid, sulfuric acid and hydrochloric acid. Inorganic pollutants can be nonbiodegradable, persist in the environment and have a disruptive effect on public health and ecosystem health. Copper is listed in the EPA Drinking Water Contaminant List and hydrochloric acid is listed in the consolidated List of Lists under EPCRA, CERCLA, and CAA.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Water recycling

☑ Upgrading of process equipment/methods

☑ Beyond compliance with regulatory requirements

☑ Reduction or phase out of hazardous substances

☑ Requirement for suppliers to comply with regulatory requirements

☑ Industrial and chemical accidents prevention, preparedness, and response

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

(2.5.1.5) Please explain

We evaluate the environmental aspects and impacts of water pollutants in alignment with ISO 14001 and various EHS risk assessment and compliance programs. Throughout our facilities we have various levels of protection, from organizational to physical and chemical controls. We deploy a hierarchy of controls, which prioritizes replacement and minimization of hazardous substances, then implementing engineering controls, then lastly implementing procedural and/or administrative controls such as SWPPP, SPCC Plans, NDPES permits, etc. We also use monitoring wells to determine groundwater quality. We have self-tested voluntary wells, while others are tested by local regulators. In all sites with industrial wastewater treatment, we ensure discharges are in alignment with local permit requirements including engineering controls, instrumentation and monitoring and sampling and reporting to regulatory agencies. We self-monitor and/or the POTW tests water quality and validates that we meet permit limits. All manufacturing locations have registered ISO 140012015 and ISO 450012018 certifications or are on track to receive certification. For inorganic pollutants in particular we have treatment systems or tank and haul systems for transport to a disposal facility for heavy metals and deploy pH neutralization for relevant acids.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

Although several of Applied Materials' sites are located in regions exposed to "High" or "Extremely high" baseline water-related risks such as water stress and water quality (namely manufacturing sites in Xi'an, China and Rehovot, Israel), due to the localized nature of these risks and Applied's relatively low water usage at these sites, no single location poses substantive risk to the business. Facilities teams have already been implementing projects to manage water usage at these sites such as smart irrigation systems and rainwater reclamation as well as installing water efficient fixtures. Additional water-saving projects are also being planned to further mitigate risks. From a value chain perspective, only a few select types of Applied tools require ultrapure water in production processes. Most of our tools only require cooling water, which runs in a closed-loop process and is negligible in terms of water consumption. Risks associated with Applied's value chain may exist in some

regions in the manufacturing of select semiconductor products, and any potential limitations, restrictions, or costs associated with this activity; however, there is currently no mechanism in place to accurately and quantitatively assess specific water-related risks at a water-basin level associated with our customers, especially taking into consideration the extensive risk mitigation measures many of them are taking based on their water use levels.

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

Although Applied Materials uses plastic in the production and packaging of its products, the overall volumes required are unlikely to pose substantive risks to the business, and actions are already being taken to address plastics use in our product packaging. In 2023, about 80% of our packaging materials were made from recyclable materials (polyethylene, polypropylene, corrugated fiberboard, steel and wood), up from 70% in 2022. Our supplier packaging specifications prohibit all non-recyclable material, except laminated plastic bags used for moisture barrier protection, for which there is currently no viable alternative.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China
☑ India
☑ Italy
☑ Japan
☑ Canada
☑ Finland
☑ Germany
☑ Ireland
☑ Malaysia
☑ Singapore
☑ United Kingdom of Great Britain and Northern Ireland
☑ France
☑ Greece
☑ Israel
☑ Austria
☑ Belgium
☑ Netherlands
☑ Philippines
☑ Taiwan, China
☑ Republic of Korea
☑ United States of America

(3.1.1.9) Organization-specific description of risk

The implementation of carbon-pricing mechanisms (e.g., carbon tax) in locations where Applied Materials operates could increase the company's operating costs in the next 3-5 years. The average carbon price is forecasted to increase over 100% by 2030 from 2021 prices. The impact of carbon pricing mechanisms will depend on the prices set in specific countries/regions, as well as Applied's capability to reduce its Scope 1 and 2 emissions in alignment with a Net Zero trajectory (the lower the company's emissions footprint, the lower the impact of carbon pricing impacts). Applied's progress towards meeting its science-based targets and aligning with its Net Zero 2040 Playbook mitigates this risk.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Annual operating costs could increase over the short-term (3-5 years) if Applied becomes subject to mandatory carbon pricing schemes such as a carbon tax. The price of carbon is expected to increase to 229 per metric ton of CO2e by 2030, up 107% from 2021, under a Low Carbon Pathway. The overall OPEX impact will depend on the price per ton of CO2 the company would be subject to and the total GHG emissions that are subject to the pricing scheme. Based on Applied's current projections of emissions growth, Applied estimates the maximum potential impact at 26M under a low-carbon pathway, however this cost is expected to be reduced substantially as the company progresses towards its 100% renewable electricity and Net Zero targets for Scopes 1 and 2 by 2030. The projected impacts were modelled across Applied's total global Scope 1 and 2 emissions, however actual carbon pricing impacts may be localized to specific geographies/countries.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

800000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

26000000

(3.1.1.25) Explanation of financial effect figure

The figures are estimates based on the forecasted average cost of carbon over the medium-term (leveraging data from the Network for Greening the Financial System (NGFS) Net Zero Scenario carbon pricing projections). NGFS carbon prices were adjusted for inflation and interpolated to an annual basis. The forecasted price shifts were multiplied against Applied's projected Scope 1 and 2 greenhouse gas emissions between present day and 2030 across the low carbon and high carbon scenarios. The analysis was not extended over a long-term time horizon as the margin of error on forecasts for carbon pricing increases with time, and presumably the impact of carbon pricing would be eliminated if the company reaches Net Zero in alignment with its Net Zero Playbook.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Implementation of environmental best practices in direct operations

(3.1.1.27) Cost of response to risk

6000000

(3.1.1.28) Explanation of cost calculation

The cost is based on an estimate of the total FY23 capital investment for projects that support decarbonization efforts across Applied's global facilities and operations. The Applied global facilities team tracks all capital projects through a structured capital allocation review process. Projects associated with key potential decarbonization levers, such lighting retrofits, HVAC improvements, or equipment upgrades are identified in the project tracker and the associated capital spend is included in the cost estimation provided.

(3.1.1.29) Description of response

Decarbonization investments in FY23 included new onsite solar installations, lighting retrofits, HVAC improvements, and Building Management System (BMS) upgrades, which are all contributing to lowering the company's Scope 1 and 2 emissions, thus reducing the potential costs associated with any future carbon pricing

mechanisms. Applied has goals to achieve 100% renewable electricity and Net Zero emissions for Scopes 1 and 2 emissions by 2030, which if achieved, should reduce or eliminate any impacts associated with carbon pricing schemes associated with its operations.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Market

☑ Changing customer behavior

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Downstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China
☑ India
☑ Italy
☑ Japan
☑ Canada
☑ Finland
☑ Germany
☑ Ireland
☑ Malaysia
☑ Singapore
☑ France
☑ Greece
☑ Israel
☑ Austria
☑ Belgium
☑ Netherlands
☑ Philippines
☑ Taiwan, China
☑ Republic of Korea
☑ United States of America

☑ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Applied Materials' customers' chip manufacturing operations are typically both energy and water intensive, and customers are increasingly focusing on improving the efficiency and overall resource consumption of their manufacturing processes and setting ambitious goals to lower their impacts. Over time, customers may also be subject to both cost and regulatory pressures that incentivize them to shift their purchasing preferences towards increasingly more energy and water-efficient equipment. There is a risk of impacts to revenues and market share if Applied is unable to outpace its competitors in offering more efficient equipment that enables customers to meet their business and environmental objectives.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unlikely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Isolating a financial figure related to shifting customer preferences specific to sustainability is extremely difficult due to the number of variables involved, such as determining how many and which customers are likely to shift their purchasing behaviors and how quickly, how the environmental performance of products would be

weighted compared to other product criteria, the existence of viable competitive products in the market, and Applied's capabilities to meet customer demand. The resulting analysis would yield too many scenarios and wide-ranging results with a high degree of uncertainty, rendering the analysis not practical or useful.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with customers

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Applied's existing R&D and 3x30 team budgets already encompass the funds to continuously assess and implement efficiency measures in our equipment), thus no added costs are required to manage this risk at this time.

(3.1.1.29) Description of response

Applied Materials addresses this risk through the implementation of its 3x30 goals, aimed at achieving a 30% reduction in energy and chemical impact for its semiconductor products on a per-wafer basis by 2030. Applied established these goals and a team of experts, including a Design for Sustainability Center of Excellence, who are supporting this initiative to ensure the company continues to enhance its offering of products that reduce energy and emissions impacts. In FY23 Applied released Vistara, Applied's first purpose-built platform that combines and co-optimizes multiple process steps within a single tool, resulting in an estimated 35% reduction in platform energy consumption and about 30% reduction in chemical footprint for etch applications. In addition, Applied Materials is developing solutions such as the iSystem controller, EcoTwin software, and AerisTM-G abatement system, which enable our customers to comprehensively measure and manage the power usage of our process tools and optimize the energy use of their fabs. Applied's teams actively engage customers to bring awareness to existing sustainability solutions that we offer as well as to identify collaborative opportunities to reduce our collective footprints.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ OPEX

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

This range reported is based on the estimated financial impact of the carbon pricing risk (transition risk) reported in 3.1.1 as a proportion of total Applied operating expenses forecasted in the next 3-5 years. Physical risks assessed for specific sites/geographies and individual climate hazards in the climate risk scenario analysis did not meet the thresholds to be considered substantive risks at this point in time.
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select from: ☑ No	*Applied was not subject to any water-related fines, enforcement orders, and/or other penalties*

[Fixed row]

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.6.1) Environmental opportunities identified

Select from:

☑ Yes, we have identified opportunities, and some/all are being realized

Water

(3.6.1) Environmental opportunities identified

Select from:

☑ No

(3.6.2) Primary reason why your organization does not consider itself to have environmental opportunities

Select from:

☑ Opportunities exist, but none anticipated to have a substantive effect on organization

(3.6.3) Please explain

While water conservation opportunities exist, due to the localized nature of water consumption and Applied's relatively low water usage across our sites, the expected operational savings from these projects are not substantial enough to be characterized as having a substantive effect on our business. This does not stop the company from investing in projects that drive water efficiency across our operations. In FY23 several sites implemented projects driving water conservation, including channeling HVAC condensate to top off cooling towers and implementing DI water recycling systems.
[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:
☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets
☑ Stronger competitive advantage

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:
☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply
☑ China
☑ India
☑ Italy
☑ Japan
☑ France
☑ Greece
☑ Israel
☑ Austria

☑ Canada
☑ Finland
☑ Germany
☑ Ireland
☑ Malaysia
☑ Singapore
☑ United Kingdom of Great Britain and Northern Ireland
☑ Belgium
☑ Netherlands
☑ Philippines
☑ Taiwan, China
☑ Republic of Korea
☑ United States of America

(3.6.1.8) Organization specific description

Applied Materials offers equipment and service features that enable our customers to save energy and reduce emissions, such as the iSystem controller, which provides automated tracking of power usage across fab systems, EcoTwin software, which enables fab operators to optimize the performance of Applied tools, and AerisTM-G, which is designed to abate GHG emissions more effectively than traditional abatement solutions. As our key customers set and begin driving towards their ambitious emission reduction goals (such as scope 1 and 2 emissions reductions or Net Zero goals), demand and preference for energy and emission-reducing solutions will continue to grow. Applied Materials is positioned to expand our offering of such solutions, whether through more efficient components, processes, or tool monitoring systems and services.

(3.6.1.9) Primary financial effect of the opportunity

Select from:
☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply
☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:
☑ About as likely as not (33–66%)

(3.6.1.12) Magnitude

Select from:

☑ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The opportunity could increase revenues by expanding the sales of existing eco-efficient products and services to a wider set of customers and fab locations within the next 3-5 years. The benefits are likely to continue to persist further into the future, however the uncertainty of the projections increases substantially due to the complexity of the variables that could impact outcomes (e.g., whether customers stay on track to meeting their goals, potential regulations they may be subject to, advancements in technology).

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

140000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

260000000

(3.6.1.23) Explanation of financial effect figures

The range provided is an estimation of the total aggregate revenue potential of feasible increased sales across Applied's 24 eco-focused products and services in our portfolio today that is based on projected customer demand over the near-term.

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

Applied's existing R&D and 3x30 team budgets already include the funds needed to continuously assess and implement efficiency measures to our equipment. Thus, no added costs are required to manage this risk at this time.

(3.6.1.26) Strategy to realize opportunity

Applied Materials addresses this opportunity through the implementation of its 3x30 goals aimed at achieving a 30% reduction in energy consumption and chemical impact for its semiconductor products on a per-wafer basis by 2030. Applied established these goals and a team of experts, including a Design for Sustainability Center of Excellence, who are supporting this initiative to ensure the company continues to enhance its offering of products that reduce fab energy and emissions impacts. In FY23, Applied released Vistara, Applied's first purpose-built platform that combines and co-optimizes multiple process steps within a single tool, resulting in an estimated 35% reduction in platform energy consumption and about 30% reduction in chemical footprint for etch applications. In FY23, Applied also announced the release of the Sculpta Pattern-Shaping System features industry-first patterning technology that eliminates an entire EUV mask layer from a wafer process flow that enables energy and water savings per wafer. In addition, Applied Materials is developing solutions such as the iSystem controller, EcoTwin software, and AerisTM-G abatement system, which enable our customers to comprehensively measure and manage the power usage of our process tools and optimize the energy use of their fabs. Applied's teams actively engage customers to bring awareness to sustainability solutions that we offer as well as to identify collaborative opportunities to reduce our collective footprints.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

The range is based on the forecasted increase in revenues from the opportunity reported in 3.6.1 as a proportion of estimated total Applied revenue within the next three-to-five years.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

Applied's Board values having a Board that reflects diverse perspectives, including those based on gender, ethnicity, skills, experience at policy-making levels in areas that are relevant to Applied's global activities, and functional, geographic or cultural backgrounds. The Board has adopted a Policy on Board Diversity within Applied's Corporate Governance Guidelines, which reflects the Board's commitment to actively seek out women and ethnically diverse director candidates and to consider the factors above, among others, in the context of the current composition of the Board and needs of Applied, when identifying and evaluating director candidates.

(4.1.6) Attach the policy (optional)

corporate-governance-guidelines.pdf.coredownload.inline.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ Yes

Water

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ No, and we do not plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:
☑ Judged to be unimportant or not relevant

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

Biodiversity is not a material impact area for Applied. This has been validated through a double materiality analysis and via the Datamaran materiality platform. A summary of findings from the materiality assessment are described in our FY23 Sustainability report.
[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Other policy applicable to the board, please specify **:**Corporate Governance Guidelines and the Charter of the Board's Corporate Governance and Nominating Committee

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Monitoring progress towards corporate targets

☑ Monitoring the implementation of a climate transition plan

☑ Approving corporate policies and/or commitments
☑ Approving and/or overseeing employee incentives
☑ Monitoring the implementation of the business strategy
☑ Overseeing reporting, audit, and verification processes

(4.1.2.7) Please explain

Responsibilities: Applied Materials' Corporate Governance and Nominating Committee (CGNC) oversees the company's sustainability and climate-related strategy to foster accountability. On a quarterly basis, the CGNC is briefed by the Senior Director of ESG on the status of Applied's company-wide environmental, social and governance (ESG) strategy, which is focused on integrating sustainability into our operations and company culture through initiatives aligned to business strategy that address a broad set of stakeholders, including customers, employees, suppliers, governments and our local communities. The CGNC reviews the company's climate and energy goals and initiatives and progress made towards meeting them, including the company's emissions, renewable electricity procurement, and product efficiency, as well as climate-related reporting and disclosures (namely our annual sustainability report). Example of climate-related actions: In FY23 the CGNC reviewed, provided input on, and approved Applied's 2040 Net Zero Playbook, which detail's the company's plan for how it will drive towards decarbonization in alignment with the 1.5C pathway across its Scope 1, 2, and 3 emissions and compensate for any residual emissions. Since the announcement of the Playbook, quarterly updates are delivered to the CGNC on actions being taken to make progress towards the company's alignment with the Net Zero Playbook.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:
☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply
☑ Other policy applicable to the board, please specify **:**Corporate Governance Guidelines and the Charter of the Board's Corporate Governance and Nominating Committee

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing reporting, audit, and verification processes

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a business strategy

☑ Monitoring the implementation of the business strategy

(4.1.2.7) Please explain

Responsibilities: Applied Materials' Corporate Governance and Nominating Committee (CGNC) oversees our ESG strategy to foster accountability. On a quarterly basis, the CGNC is briefed by the Senior Director of ESG on the status of Applied Materials' company-wide environmental, social and governance (ESG) strategy, which is focused on integrating sustainability into our operations and company culture through initiatives aligned to business strategy that address a broad set of stakeholders, including customers, employees, suppliers, governments, investors and our local communities. The CGNC reviews the company's ESG strategy on a quarterly basis. The CGNC is informed and provides input on Applied Materials' various environmental initiatives, which include water management, and tracks progress through their review of our annual sustainability report. Example of water-related decisions: The CGNC was recently engaged to review and approve all of Applied Materials' environmental disclosures, including the refinement of our water consumption and withdrawal data and year on year progress.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Experience in the environmental department of a government (national or local)

☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

☑ Active member of an environmental committee or organization

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Experience in the environmental department of a government (national or local)

☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition
☑ Active member of an environmental committee or organization

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level
☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing a climate transition plan

☑ Implementing the business strategy related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

Applied Materials' CEO holds overall responsibility for climate-related issues. The CEO and his executive team, which represent different functions of the business, review, assess, and provide input on the company's climate strategy through the annual strategic review process, which establishes the strategy and annual milestones to drive progress towards the company's climate commitments. Progress on the strategy and milestones is monitored throughout the year during quarterly business reviews, which are attended by the CEO and his executive team. Accountability towards our corporate 2030 climate goals, which cover Applied Materials' science-based targets, 100% renewable electricity, and product efficiency goals, as well as our Net Zero Playbook, is also monitored and reported on via our Corporate Scorecard, which is tied to annual executive compensation. Discussion of ongoing and emerging climate and energy dependencies, impacts, risks, and opportunities are presented for discussion and input to the CEO and the Corporate Governance and Nominating Committee of the Board of Directors on a quarterly basis as well.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Other C-Suite Officer, please specify :Chief of Staff, Corporate Strategy and Development

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

Applied's GVP, Chief of Staff, Corporate Strategy and Development, who reports into the CEO, oversees and is responsible for the various teams that manage water-related dependencies, impacts, risks and opportunities, including our global Facilities, EHS, ESG, and BCP teams. Responsibilities include the assessment and monitoring of water-related risks and opportunities, management and tracking of water resources and consumption across Applied's facilities and complying with any water-related regulations or policies. Insights, actions, and progress relating to water-related issues are shared when relevant during the company's structured quarterly business review cycles, or in other relevant forums, such as executive reviews of large infrastructure projects. These meetings are attended by all the teams reporting into the Corporate Strategy and Development group so any pertinent water-related issues raised can be socialized across internal business functions and any related dependencies, impacts, risks, or opportunities can be identified and actioned on as necessary.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Other

☑ Other, please specify **:**Senior Director, ESG

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing environmental reporting, audit, and verification processes

(4.3.1.4) Reporting line

Select from:

☑ Other, please specify :Chief of Staff, Corporate Strategy and Development

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

Applied's Senior Director of ESG has oversight of biodiversity-related issues. Based on a comprehensive ESG double materiality assessment process, biodiversity is not considered a material risk or impact area for Applied's business due to its limited reliance on and exposure to resources or locations that are sensitive to this issue. Still, Applied recognizes that we cannot collectively reach our net zero aspirations without the protection and restoration of nature. Although Applied has minimal exposure to biodiversity impacts through its business operations, we are actively evaluating opportunities to invest in nature-based restoration projects on an on-going basis, which would benefit biodiversity, climate and communities. Such opportunities are discussed and vetted with other key stakeholders such as Finance, Legal, and Procurement teams as opportunities arise (meeting at minimum on a bi-monthly basis).
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

2.5

(4.5.3) Please explain

The percentage is associated with the weighting of climate-related issues in relation to all other issues assessed on the corporate scorecard, which informs the annual executive team incentive bonus.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ No, and we do not plan to introduce them in the next two years

(4.5.3) Please explain

Because Applied Materials' operations are not water-intensive nor pose substantive risks/opportunities for the company, management of water-related issues has not been prioritized in the corporate scorecard, which informs the annual executive team incentive bonus. However, the C-suite does have compensation-based incentives for other critical ESG issues.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Reduction in absolute emissions in line with net-zero target

Emission reduction

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

☑ Reduction in absolute emissions

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Objectives to incentivize progress towards Applied Materials' climate goals are tracked and incorporated into the Corporate Scorecard, which is used to inform the annual incentive bonus. Objectives to measure progress towards the following goals are included in the scorecard: - 50% reduction of scope 1 and 2 emissions by 2030 (SBTi approved) -100% renewable electricity in the U.S. by 2022, and globally by 2030 (SBTi approved) - 55% intensity reduction of Scope 3 product use emissions per M value added (SBTi approved) - 30% reduction in energy and chemical consumption per wafer for semiconductor products by 2030 - Progress towards Applied 2040 Net Zero Playbook

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The incentive directly ties to ensuring progress on our climate commitments across our science-based Scope 1, 2, and 3 GHG emissions reduction targets and holds the company accountable to making progress towards its 2040 Net Zero Playbook, which serves as the company's climate transition plan. Annual measurable milestones are set to ensure progress toward each climate goal and reviewed on a quarterly basis. The level of achievement of the milestones assessed at the end of the fiscal year informs the annual incentive bonus for the ESG component of the scorecard.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

Applied's Standards of Business Conduct (both for our company and for business partners) as well as Applied' EHS policy cover the protection of the environment as our corporate responsibility with the aim of meeting and exceeding environmental regulations to minimize our impact on the environment, which includes impacts on climate and water. Further, Applied Materials is a member of the Responsible Business Alliance (RBA), committed to conforming to the RBA code of conduct, and requires suppliers also to conform to the code of conduct, which includes expectations around water management (both usage and discharge) and minimizing energy consumption and GHG emissions.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to 100% renewable energy

Water-specific commitments

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to reduce water consumption volumes

☑ Commitment to reduce water withdrawal volumes

☑ Commitment to safely managed WASH in local communities

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Combined_attachments_RBA_SBC_EHS_Policies.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:
☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply
☑ RE100
☑ Science-Based Targets Initiative (SBTi)
☑ The Climate Pledge
☑ Other, please specify **:**Responsible Business Alliance (RBA); SEMI Climate Consortium

(4.10.3) Describe your organization's role within each framework or initiative

• RE100: Applied is a public signatory, committing to reaching 100% renewable electricity by 2030 • SBTi: Applied has formally submitted and validated its near-term Scope 1, 2, and 3 emission reduction targets with SBTi • The Climate Pledge: Applied recently signed on as a signatory to the Climate Pledge and plans to engage with fellow signatories on collective opportunities to identify and scale solutions that support our Net Zero ambitions • RBA: Applied has been a member of the RBA since 2008, adopting the RBA code of conduct and conducting RBA audits of key suppliers. Applied actively engages in various RBA working groups. • SEMI Climate Consortium (SCC): Applied is a Founding Member of the SCC, which is working to advance climate efforts across the semiconductor value chain. Applied serves on the Governing Council and leads and actively participates in the various SCC working groups.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

Applied-CDP-NZ-Statement.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Mandatory government register

☑ Voluntary government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Applied's corporate PAC is registered with the Federal Election Commission (mandatory). All Applied U.S. Government Affairs personnel are also registered with the House and Senate Clerks per the Lobbying Disclosures Act, as well as with California and Massachusetts bodies. Applied is also registered with the EU Transparency Register (ID 583393138546-76) voluntarily.

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

The ESG team works closely with Applied Materials' Government Affairs team to ensure awareness of Applied Materials' ESG-related priorities and objectives (including climate-related issues) and alignment in any engagement efforts. The Government Affairs team actively flags key updates, rulemaking and opportunities that may pertain to Applied Materials' climate interests – for example, the passage of the recent Inflation Reduction Act. In July 2023, Applied Materials announced its 2040 Net Zero Playbook, which serves as our position statement to conduct engagement activities in line with this ambition.
[Fixed row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ Non-Governmental Organization (NGO) or charitable organization

(4.11.2.3) State the organization or position of individual

Clean Energy Buyers Association (CEBA)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

CEBA's goal of achieving wide-scale carbon-free energy across the United States is squarely aligned with Applied's climate and renewable electricity goals.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

5000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

CEBA actively identifies advocacy opportunities with regulators and legislators to advance the expansion of clean energy access across the country, which Applied supports through our membership and by occasionally adding its name as a signatory in relevant statements/letters that may help drive these objectives forward. For example, we signed a letter encouraging the Federal Energy Regulatory Commission to advance reforms on transmission expansion and permitting to drive access to more clean power (which ultimately regulators passed).

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply
☑ Paris Agreement
[Add row]

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:
☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change
☑ Water
☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy
☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Risks & Opportunities
☑ Value chain engagement
☑ Dependencies & Impacts
☑ Public policy engagement
☑ Water accounting figures

(4.12.1.6) Page/section reference

Net Zero section: pages 14-21 Planet section: pages 22-34 Progress section: pages: 35-46 Data and disclosures: pages 92-94, 103-112

(4.12.1.7) Attach the relevant publication

Applied_SustainabilityReport2023_FullReport_FINAL_v2_06172024_reducedsize.pdf

(4.12.1.8) Comment

Applied produces an annual sustainability report that transparently shares progress on its progress and performance across environmental, social, and governance issues. The report is currently aligned GRI, SASB (IFRS), and TCFD frameworks.

Row 2

(4.12.1.1) Publication

Select from:

☑ In mainstream reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change
☑ Water

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Dependencies & Impacts

☑ Risks & Opportunities

☑ Strategy

☑ Emission targets

(4.12.1.6) Page/section reference

- page 3-4 (Chairman and CEO letter) -page 11 (Government regulations) -page 17, 20, 21, 27-28 (Risks/Opportunities)

(4.12.1.7) Attach the relevant publication

2023 Annual Report.pdf

(4.12.1.8) Comment

Applied's Annual Report with 10-K includes information related to Applied's governance, strategy, and risks and opportunities related to climate, water, and other environmental issues.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually

Water

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP1

(5.1.1.3) Approach to scenario

Select from:

☑ Quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.6°C - 1.9°C

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The scenario was used as the low carbon pathway to assess exposure to 9 physical climate hazards across Applied's owned or operated facility locations which collectively comprise over 80% of property values and operational footprint. Hazards assessed include storm, precipitation, hail, wind speed, flooding (including fluvial, pluvial and coastal), extreme heat, wildfires, extreme cold and drought. Potential financial impacts for flooding, extreme wind events and extreme heat were calculated based on site-level inputs and industry average financial damage values.

(5.1.1.11) Rationale for choice of scenario

Two future pathways were considered for the climate scenario analysis, in alignment with TCFD recommendations. Physical risk scenarios used IPCC-aligned CMIP6 SSP-RCP models: • Low Carbon Pathway: Assumes environmental regulation and collective action will limit the greatest physical impacts of climate change by keeping global temperature increase below 2 degrees Celsius. • High Carbon Pathway: Assumes low collective action against climate change and a greater degree of global warming. The two pathways define a low-to-high envelope of potential risks and impacts so Applied can evaluate the range of possible outcomes and plan accordingly.

Water

(5.1.1.1) Scenario used

Water scenarios

☑ WRI Aqueduct

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The analysis used the WRI Aqueduct 3.0 water risk framework to project future water stress under three scenarios (SSP2-RCP4.5, SSP2-RCP8.5, and SSP3-RCP8.5) across Applied's owned or operated facility locations, which collectively comprise over 80% of property values and operational footprint. This quantitative approach was supplemented by qualitative analysis of three other elements of water risk: power supply (risk of decreased thermoelectric power in certain regions), water quality degradation, and water-related conflict.

(5.1.1.11) Rationale for choice of scenario

Two future pathways were considered for the climate scenario analysis, in alignment with TCFD recommendations. Physical risk scenarios used IPCC-aligned CMIP6 SSP-RCP models: • Low Carbon Pathway: Assumes environmental regulation and collective action will limit the greatest physical impacts of climate change by keeping global temperature increase below 2 degrees Celsius. • High Carbon Pathway: Assumes low collective action against climate change and a greater degree of global warming. The two pathways define a low-to-high envelope of potential risks and impacts so Applied can evaluate the range of possible outcomes and plan accordingly.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The IEA scenarios were particularly applied to transition risks relating to market and technology-related risks and opportunities, comparing Applied's year-over-year reductions in scope 3 emissions vs. year-over-year emissions reductions under an IEA NZE2050, as well as forecasted growth in key end-use market shifts for technologies that rely on Applied's products (e.g., solar, wind, battery). Transition risks were assessed at short- and medium-term time periods due to the rapid pace of change in the semiconductor industry and lack of data to support long-term analysis in a credible or useful manner.

(5.1.1.11) Rationale for choice of scenario

Two future pathways were considered for the climate scenario analysis, in alignment with TCFD recommendations. The IEA models were used for assessing transition risks related to market and technology risks to understand potential trends in either scenario. • Low Carbon Pathway: Assumes environmental regulation

and collective action will limit the greatest physical impacts of climate change by keeping global temperature increase below 2 degrees Celsius. • High Carbon Pathway: Assumes low collective action against climate change and a greater degree of global warming. The two pathways define a low-to-high envelope of potential risks and impacts so Applied can evaluate the range of possible outcomes and plan accordingly.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ NGFS scenarios framework, please specify **:**Net Zero 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

☑ Global regulation

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Risks correlated to fluctuations in carbon pricing mechanisms, or those influenced by carbon pricing (proxy for trends in regulatory burden) leveraged climate scenarios from NGFS. • The Net Zero 2050 NGFS scenario was used to model a low-carbon pathway, while the Current Policies NGFS scenario was used to model a high-carbon pathway. • The REMIND-MAgPIE model was used to determine future carbon prices (US2010 per tCO2) for both scenarios. • NGFS carbon prices were adjusted for inflation and interpolated to an annual basis. • Applied Materials scope 1 and 2 emissions from 2023 to 2030 were estimated based on current business growth projections Transition risks were assessed at short- and medium-term time periods due to the rapid pace of change in the semiconductor industry and lack of data to support long-term analysis in a credible or useful manner.

(5.1.1.11) Rationale for choice of scenario

Two future pathways were considered for the climate scenario analysis, in alignment with TCFD recommendations. NGFS informed scenarios related to potential carbon pricing trends. • Low Carbon Pathway: Assumes environmental regulation and collective action will limit the greatest physical impacts of climate change by keeping global temperature increase below 2 degrees Celsius. • High Carbon Pathway: Assumes low collective action against climate change and a greater degree of global warming. The two pathways define a low-to-high envelope of potential risks and impacts so Applied can evaluate the range of possible outcomes and plan accordingly.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The scenario was used as the high carbon pathway to assess exposure to 9 physical climate hazards across Applied's owned or operated facilities, which collectively comprise over 80% of property values and operational footprint. Hazards assessed include storms, precipitation, hail, wind speed, flooding (including fluvial, pluvial and coastal), extreme heat, wildfires, extreme cold and drought. Potential financial impacts for flooding, extreme wind events and extreme heat were calculated based on site-level inputs and industry average financial damage values.

(5.1.1.11) Rationale for choice of scenario

Two future pathways were considered for the climate scenario analysis, in alignment with TCFD recommendations. Physical risk scenarios used IPCC-aligned CMIP6 SSP-RCP models: • Low Carbon Pathway: Assumes environmental regulation and collective action will limit the greatest physical impacts of climate change by keeping global temperature increase below 2 degrees Celsius. • High Carbon Pathway: Assumes low collective action against climate change and a greater degree of global warming. The two pathways define a low-to-high envelope of potential risks and impacts so Applied can evaluate the range of possible outcomes and plan accordingly.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA STEPS (previously IEA NPS)

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 2.0°C - 2.4°C

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The IEA scenarios were particularly applied to transition risks relating to market and technology-related risks and opportunities, comparing Applied's year-over-year reductions in Applied Materials scope 3 emissions vs. year-over-year emissions reductions under an IEA NZE2050, as well as forecasted growth in key end-use market shifts for technologies that rely on Applied's products (e.g., solar, wind, battery). Transition risks were assessed at short- and medium-term time periods due to the rapid pace of change in the semiconductor industry and lack of data to support long-term analysis in a credible or useful manner.

(5.1.1.11) Rationale for choice of scenario

Two future pathways were considered for the climate scenario analysis, in alignment with TCFD recommendations. The IEA models were used for assessing transition risks related to market and technology risks to understand potential trends in either scenario. • Low Carbon Pathway: Assumes environmental regulation and collective action will limit the greatest physical impacts of climate change by keeping global temperature increase below 2 degrees Celsius. • High Carbon Pathway: Assumes low collective action against climate change and a greater degree of global warming. The two pathways define a low-to-high envelope of potential risks and impacts so Applied can evaluate the range of possible outcomes and plan accordingly.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ NGFS scenarios framework, please specify :Current policies

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 3.0ºC - 3.4ºC

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Risks correlated to fluctuations in carbon pricing mechanisms, or those influenced by carbon pricing (proxy for trends in regulatory burden) leveraged climate scenarios from NGFS. • The Net Zero 2050 NGFS scenario was used to model a low-carbon pathway, while the Current Policies NGFS scenario was used to model a high-carbon pathway. • The REMIND-MAgPIE model was used to determine future carbon prices (US2010 per tCO2) for both scenarios. • NGFS carbon prices were adjusted for inflation and interpolated to an annual basis. • Applied Materials scope 1 and 2 emissions from 2023 to 2030 were estimated based on current

business growth projections Transition risks were assessed at short- and medium-term time periods due to the rapid pace of change in the semiconductor industry and lack of data to support long-term analysis in a credible or useful manner.

(5.1.1.11) Rationale for choice of scenario

Two future pathways were considered for the climate scenario analysis, in alignment with TCFD recommendations. NGFS informed scenarios related to potential carbon pricing trends. • Low Carbon Pathway: Assumes environmental regulation and collective action will limit the greatest physical impacts of climate change by keeping global temperature increase below 2 degrees Celsius. • High Carbon Pathway: Assumes low collective action against climate change and a greater degree of global warming. The two pathways define a low-to-high envelope of potential risks and impacts so Applied can evaluate the range of possible outcomes and plan accordingly.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management
☑ Strategy and financial planning
☑ Resilience of business model and strategy
☑ Capacity building
☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

In FY23 Applied undertook a comprehensive refresh of its climate and water risks and opportunities assessment in alignment with TCFD guidelines. A diverse group of stakeholders was engaged, representing various parts of Applied's business to ensure that varying perspectives were incorporated and that outcomes of the

assessment would be shared and integrated across teams. Key findings: • Physical risks o Magnitude of exposure to physical risks is projected to vary geographically and temporally across value-chain and scenarios. o Applied is projected to face increased exposure to hazards, particularly in Southeast Asia and the Middle East, under both High and Low Carbon Pathways o On average, Applied is projected to face the greatest increase in exposure to extreme heat, drought, and storms. For example, between 2020 and 2040, extreme heat is projected to increase by more than 70% in a third of Applied site locations. • Carbon pricing o Operating costs are projected to increase under a Low Carbon Pathway as the cost of carbon increases. o The price of carbon is expected to increase to 229 per ton of CO2e by 2030 under a Low Carbon Pathway • Regulations on process chemicals o Compliance costs are projected to increase under a Low Carbon Pathway as regulatory requirements on process gases increase. o Applied is mitigating these risks by identifying solutions that reduce the use of fluorinated process gases, increase abatement, and/or enable the use of non-fluorinated alternatives. • R&D pressure o Applied may need to increase R&D spend to meet demand for products that support decarbonization. o Applied has already been expanding investment in R&D, spending 11% more on R&D in 2023 as compared to 2022. o Continued growth in R&D can position Applied to meet the innovation demands of transitioning to a lower-carbon economy. • Customer preferences o Many Applied customers are targeting net zero by 2040 and are depending on less emissions-intensive manufacturing tools to help them achieve these goals. o Applied faces both risks and opportunities depending on the company's ability to meet shifting customer demand. Continued innovation to develop more sustainable products could help customers achieve their goals and preserve Applied Materials' market share. o Certain end-use markets that are key to the global climate transition, such as grid decarbonization technologies and electric vehicles (Applied's "ICAPS" business), are expected to drive business expansion opportunities. Resulting actions: • Applied incorporates considerations for climate/environmental risks and opportunities in its annual ERM survey that broadly assesses risks across the enterprise. Key business leaders are also included in the annual in-depth climate and water risk assessment process to ensure awareness, gain input, and elicit action/management of any material risks and opportunities. Findings are shared with Applied's facilities, EHS, and BCP teams to highlight any mitigating measures that should be taken at relevant sites. • Key risks and opportunities are driving a variety of strategies and associated financial planning. These include: o Continued investment into R&D and capital allocation for building out Applied's portfolio of eco-advantaged products and services to ensure delivery of solutions that help customers achieve their goals. In FY23 Applied announced Vistara, its first purpose-built platform that combines and co-optimizes multiple process steps within one tool, resulting in an 35% reduction in platform energy consumption and 30% reduction in chemical footprint for etch applications. o Planning CAPEX/OPEX to ensure the company stays on track to meeting its renewable energy and emissions reduction targets by 2030. In FY23 this included capital for onsite solar arrays at our Austin, TX logistics center and Tainan, Taiwan manufacturing facility, and operating expense for new PPAs signed in Taiwan and Israel. Capital was also put towards continuous energy efficiency improvements. • The company and CEO announced our Net Zero 2040 Playbook in FY23, which charts our roadmap towards achieving Net Zero emissions across our Scope 1, 2, and 3 emissions. It includes science-based targets and defines the plan for how the company intends to achieve its targets and which actions it will prioritize to mitigate risks and capitalize on opportunities. • The scenario analysis illuminates key risks and opportunities that relate to Applied's products and services, demonstrating that our business model and strategy can be leveraged to drive decarbonization by delivering more energy and chemical optimized products, developing solutions that help customers manage their environmental impacts and meet climate goals, and enable key end-use technologies that will be critical in the transition to a decarbonized economy.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

In FY23 Applied undertook a comprehensive refresh of its climate and water risks and opportunities assessment in alignment with TCFD guidelines, which considered a prioritized set of both physical and transition risks across its value chain over short-, medium-, and long-term time horizons, and over various climate scenarios. Water-related risks were assessed across all three time periods. The analysis used the WRI Aqueduct 3.0 water risk framework to project future water stress under three scenarios (SSP2-RCP4.5, SSP2-RCP8.5, and SSP3-RCP8.5) and medium-term and long-term time horizons. This quantitative approach was supplemented by qualitative analysis of three other elements of water risk: power supply, water quality, and water-related conflict. A diverse group of stakeholders participated in the process, representing various parts of Applied's business to ensure that varying perspectives were incorporated into the analysis and that outcomes of the assessment would be shared and integrated across relevant teams. Key findings and outcomes • Five site locations assessed have high or extremely high baseline water stress: Rehovot, Israel; Xi'an, China; Bangalore, India; Tracy, CA; and Alzenau, Germany. (However, based on the current levels of water use at the sites, only Rehovot and Xi'an are considered sites sensitive to water stress risks). • The water stress levels in these regions is expected to stay high in both the low and high carbon scenarios by 2030 • Additionally, water stress levels in Austin, Texas are projected to increase to high levels by 2030 • • Several Applied Materials sites rely on hydroelectric or thermoelectric power, which is expected to decrease because of limited water availability. o For example, in the U.S., thermoelectric power capacity is projected to decline by 12% in RCP8.5 by 2030. Significant water quality degradation is also expected under RCP8.5 by 2050, which could impact Applied Materials and its customers who rely on ultrapure water in production processes. Resulting actions: • Physical and water risks findings are shared with Applied's facilities, EHS, and BCP teams to highlight any mitigating measures that should be taken at relevant sites. Facilities teams have already been implementing projects to manage water usage at these sites, such as water recycling system, smart irrigation systems,,rainwater reclamation and water efficient fixtures, and additional water efficiency projects are planned for the coming years.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ No and we do not plan to develop a climate transition plan within the next two years

(5.2.15) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

Select from:

☑ Other, please specify :Alternate approach (Net Zero 2040 Playbook)

(5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

In FY23, Applied developed and announced its Net Zero 2040 Playbook, which lays out the company's strategy to decarbonize its value chain. The Playbook addresses the most impactful aspects of the company's GHG footprint and defines milestones for achieving objectives. The Playbook is hinged on the near-term and long-term science-based targets addressing Scope 1, 2, and 3 emissions and aims to reach Net Zero for Scopes 1 and 2 by 2030 and outlines a collaborative pathway to reach Net Zero for Scope 3 by 2040. The Playbook identifies four key strategies: • Grid decarbonization – working with experts and industry coalitions to accelerate access to clean energy in key markets • Customers' Net Zero goals – Collaborating with customers to enable their advancement towards their own Net Zero goals and sourcing of 100% clean energy • Product efficiency – Driving improved energy efficiency and reducing the chemical impact of Applied products and offering products and services that help customers reduce their own emissions • Supply Chain GHG reductions – Engaging suppliers to reduce their emissions and identifying opportunities to decarbonize the materials and components going into our products Key assumptions and dependencies include: • Trends in grid decarbonization and expansion of related enabling technologies and policies continue as forecasted in the International Energy Agency's (IEA's) annual reports and scenarios (Stated policies) • Governments stay reasonably on track towards meeting their stated grid decarbonization targets • External mechanisms that Applied has no or limited control over, such as regulations, tariffs, and geopolitics, don't substantially derail access to costs for key enabling technologies such as solar, wind, and batteries • Customers stay reasonably on track towards meeting their stated public climate commitments and make purchasing decisions that align with these commitments • Suppliers take action to reduce emissions at a minimum in line with a well-below-2C pathway Applied has defined its Net Zero strategy and roadmap, established key annual milestones, and created a cross-stakeholder Net Zero Leadership Council to drive its Playbook. Progress is tracked and reported to Applied's executive leadership team through the quarterly business review process and shared with its Board of Directors (CGNC committee) on a quarterly basis. Progress is transparently reported through our annual Sustainability Report and on website. [Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain
☑ Investment in R&D
☑ Operations
[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply
☑ Risks
☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply
☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

As customer preferences shift toward more energy-efficient products, Applied Materials has and continues to develop technologies that allow customers to reduce emissions from their own operations. For example, Applied Materials offers its Sculpta Pattern-Shaping System, which eliminates an entire EUV mask layer from a wafer process flow, which enables energy savings of more than 15kWh per wafer. Other Applied technologies are aimed at reducing the power consumption of manufacturing semiconductor chips and providing more effective process gas abatement solutions. We also produce systems and services to improve the overall energy efficiency of semiconductor fabrication facilities. These strategies are being implemented and monitored in the immediate-to-short-term (1-5 years) and longer term (over the next 10 years).

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Applied Materials' tier 1 supply chain, consisting of over 3,000 suppliers, is spread across the globe. Given Applied Materials ' supply chain is geographically diverse, well-coordinated and proficient at managing continuity risks, recent impacts of severe weather events, such as typhoons and hurricanes, have been relatively modest. Applied Materials is currently assessing its top (approximately 80% by spend) suppliers on environmental performance via the Responsible Business Alliance (RBA) self-assessment questionnaire, which asks suppliers to report on their GHG tracking, goals, and initiatives, as well as a targeted GHG survey. Suppliers considered high risk (evaluated each year) are audited against the framework. This strategy is being implemented and monitored in the immediate-to-short-term (1-5 years) and longer term (over the next 10 years).

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

As environmental regulations emerge and evolve in different regions where Applied Materials operates, the company must design products that comply with varying standards to continue serving customers. For example, when the European Union restricted the types of refrigerants that can be imported, Applied Materials invested

in R&D to redesign certain products so they would no longer be reliant on the restricted chemicals. These strategies are being implemented and monitored in the immediate-to-short-term (1-5 years) and longer term (over the next 10 years).

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

As Applied Materials expands its operations to meet growing semiconductor demand, we are integrating climate considerations into the evaluation of new construction and leases, such as access to a stable supply of energy and water. For example, we are adjusting energy modeling for our new R&D facilities to ensure we are planning for energy demands in a warming climate and building in water recycling processes. These strategies are being implemented and monitored in the immediate-to-short-term (1-5 years) and longer term (over the next 10-20 years).
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Indirect costs

☑ Capital expenditures

☑ Capital allocation

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

• Capital Allocation: As customer purchasing behaviors shift and regulations emerge and evolve in the short-term, Applied Materials has an opportunity to develop technologies that meet more stringent efficiency and emissions requirements. The company invests R&D funds to test and develop a suite of products that deliver improved energy performance and reduced chemical impact. For example, in FY23 Applied Materials announced its new Vistara, Applied's first purpose-built platform that combines and co-optimizes multiple process steps within a single tool, resulting in an estimated 35% reduction in platform energy consumption and about 30% reduction in chemical footprint for etch applications. • Indirect costs: To increase resiliency, reduce operating costs, and meet our 100% renewable electricity goals, Applied Materials has been and continues to evaluate and procure renewable sources of electricity through on-site solar arrays, utility green energy programs, and a virtual power purchase agreement (VPPA). In FY23 new PPAs were secured in Taiwan and Israel. • Capital expenditures: Applied Materials has invested and continues to evaluate investments in renewable energy projects such as on-site solar, as well as operation efficiency projects such as lighting retrofits or upgrades to more efficient equipment. Projects are evaluated using Applied Materials' standard capital project evaluation process based on their projected financial performance and strategic value. In FY23, this included capital for expansion of onsite solar arrays, such as the 5.6MW system installed on our Austin, TX logistics center and a 700 kW system installed at our Tainan, Taiwan facility. Capital was also put towards continuous energy efficiency improvements, such as LED lighting retrofits and upgrading building management systems.

[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
	Select from: ☑ No, and we do not plan to in the next two years

[Fixed row]

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

286

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

-22

(5.9.3) Water-related OPEX (+/- % change)

-12

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

5

(5.9.5) Please explain

As demand for Applied Materials equipment is projected to increase significantly over the next several years, we are investing in more R&D, Manufacturing and Office space globally, thus driving an increased usage of water (and all utilities). In addition to increasing our global footprint with new facilities, our existing facilities water

systems are aging and must be replaced as they reach end-of-life, driving significant capex spend in water-related systems. The increase noted is due to one large water-related upgrade that occurred at an Applied site in FY23.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

(5.10.1) Use of internal pricing of environmental externalities

Select from:
☑ No, but we plan to in the next two years

(5.10.3) Primary reason for not pricing environmental externalities

Select from:
☑ No standardized procedure

(5.10.4) Explain why your organization does not price environmental externalities

Due to the wide range in carbon pricing mechanisms that currently exist, and the lack of consistency amongst them globally. We have started to socialize carbon pricing estimates with key stakeholders across the business including Finance and Facilities that correlate to anticipated carbon removal costs, with the objective of incorporating this cost consideration into the financial evaluation of capital projects that may drive decarbonization efforts.
[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

	Type of pricing scheme
Row 1	*Select from:* ☑ Implicit price

[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

Top 80% of spend and covering over 70% of Scope 3 Category 1 GHG emissions.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 76-99%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

227

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on water

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

Applied Materials uses the RBA's RMI Global Risk Map to assess suppliers who in total represent approximately 80% of Applied Materials' procurement spend. The assessment results in a risk score that considers a variety of categories, including water stress-related risk which leverages the WRI water stress index. The parameters to determine highest priority sites include a "High" water stress index rating and those that are considered higher spend suppliers.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 51-75%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

240
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

☑ Business risk mitigation

☑ Procurement spend

☑ Strategic status of suppliers

☑ Other, please specify :Supplier's willingness / ambition

(5.11.2.4) Please explain

Approximately 13% of our Scope 3 FY23 emissions lie in the Purchased Goods and Services category, demonstrating the importance of engaging and surveying suppliers responsible for this emissions category. Applied Materials evaluates material ESG impacts within our supply chain, including climate and energy performance, by assessing the top (approximately 80% of spend) of our suppliers by spend for compliance with the Responsible Business Alliance (RBA) code of conduct and by assessing their GHG programs with an additional GHG focused survey. Data is collected and analyzed on an annual basis and is augmented with further external research of climate-related goals and metrics using publicly available information.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

☑ Business risk mitigation

☑ Procurement spend

☑ Strategic status of suppliers

(5.11.2.4) Please explain

Applied Materials uses the RBA's Responsible Minerals Initiative (RMI) Global Risk Map to assess suppliers who in total represent approximately 80% of Applied Materials' procurement spend. The assessment results in a risk score that considers a variety of categories, including water-related risk. When looking at the four water- and wastewater-related risk scores in isolation, 94 suppliers are identified as having a substantive impact, which is less than 2% of total suppliers. The threshold used to identify substantive impact is any score less than 2.5, which is the highest risk band used by the RMI Global Risk Map.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:
☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:
☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Applied Materials expects its suppliers representing approximately 80% of procurement spend to disclose their available climate and energy data as part of the annual RBA assessment process. Applied Materials uses an environmental survey to capture information on total scope 1, 2, and 3 greenhouse gas emissions, energy and water consumption, waste generation, any goals/targets suppliers have set to improve their performance, and where more information regarding their climate, energy and water programs can be found. In addition, Applied Materials reviews suppliers' publicly available sustainability reports and CDP disclosures to track and validate climate-related data. Applied's Supplier ESG Requirements document is incorporated into our Global Supplier Agreements and other agreements with direct and indirect suppliers. These requirements are also included in the terms and conditions for logistics suppliers and all purchase order transactions and are enumerated in our most commonly used agreements for indirect services.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Applied expects its suppliers representing approximately 80% of procurement spend to comply with the RBA Code of Conduct and complete the annual self-assessment questionnaire, which addresses issues related to water withdrawal tracking, management, and conservation. Applied's Supplier ESG Requirements document is incorporated into our Global Supplier Agreements and other agreements with direct and indirect suppliers. These requirements are also included in the terms and conditions for logistics suppliers and all purchase order transactions and are enumerated in our most commonly used agreements for indirect services. [Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Disclosure of GHG emissions to your organization (Scope 1, 2 and 3)

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:
☑ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:
☑ 51-75%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:
☑ 76-99%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:
☑ 51-75%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:
☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:
☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

Applied Materials recognizes the climate and energy impact of our value chain. Approximately 13% of our Scope 3 emissions lie in the Purchased Goods and Services category, demonstrating the importance of gathering information and engaging the suppliers associated with this emissions category. Applied Materials evaluates material ESG impacts within our supply chain, including climate and energy performance, by assessing the top spend suppliers (approximately 80% of spend) for compliance with the Responsible Business Alliance code of conduct and by assessing their GHG programs with an additional GHG focused survey. Data is collected and analyzed annually and augmented with further external research of climate-related goals and metrics using publicly available information.

Water

(5.11.6.1) Environmental requirement

Select from:

☑ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Off-site third-party audit

☑ On-site third-party audit

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

Suppliers are engaged through the RBA environmental survey and the RBA Facility Self-Assessment Questionnaire (SAQ). 350 of our suppliers have accounts in RBA online, which makes up more than 80% of procurement spend. RBA is an ideal platform for this engagement because, although we do not directly require suppliers to complete the water-related questions, suppliers are required to complete an SAQ before we audit their site. Therefore, the number of suppliers that answer these questions continues to grow as we grow our audit scope. Of the 350 suppliers in RBA online, 43% responded to water-related questions in 2022. This data is most impactful in preparation for the supplier audit – the auditor on site can use the survey to address any water management concerns. If there is a finding of non-conformance related to water-management, this is included in the corrective action plan. We consider this to be a measure of success – identifying and correcting water management risks at the supplier site through the audit process.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Implementation of emissions reduction initiatives

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ On-site third-party audit

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 51-75%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 51-75%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

☑ Providing information on appropriate actions that can be taken to address non-compliance

☑ Other, please specify **:**Helping identify viable renewable energy projects

(5.11.6.12) Comment

Applied Materials' SuCCESS2030 initiative includes a 10-year roadmap that extends our sustainability vision across our supply chain for semiconductor and display manufacturing. Through this program, Applied Materials communicates its ESG priorities, including climate and energy-related issues, engages and educates suppliers on expectations, and identifies high risk suppliers who are then audited against the framework. In FY23 Applied began communicating about Applied's Net Zero 2040 Playbook, and the expectation for suppliers to start increasing their procurement of clean energy where feasible. To help accelerate these efforts Applied was a founding member of Catalyze, a semiconductor industry coalition delivering capacity-building training and identifying collective opportunities for renewable energy procurement with fellow members, facilitated by Schneider Electric.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Off-site third-party audit

☑ On-site third-party audit

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

Applied Materials evaluates material ESG impacts within our supply chain, including climate and energy performance, by assessing the top (approximately 80% of spend) of our suppliers by spend for compliance with the Responsible Business Alliance code of conduct, which addresses actions to manage energy consumption and greenhouse gas emissions. Audits are conducted to ensure compliance with the code. Once the audit is completed and the findings are agreed upon, the suppliers work with our SuCCESS2030 team to close issues. At Applied, we require our suppliers to close their priority and major findings within the recommended RBA timeline through additional on-site, third-party audits.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to measure GHG emissions

☑ Provide training, support and best practices on how to mitigate environmental impact

☑ Provide training, support and best practices on how to set science-based targets

Information collection

☑ Collect GHG emissions data at least annually from suppliers

☑ Collect targets information at least annually from suppliers

Innovation and collaboration

☑ Collaborate with suppliers on innovative business models and corporate renewable energy sourcing mechanisms

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 76-99%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We have escalated the issue of climate and energy management with suppliers through our enhanced effort to gather relevant data from our suppliers covering approximately 80% of spend. Our data collection and communication of our expectation to suppliers that they effectively manage these issues help drive action in parts of the semiconductor supply chain that have not typically been reached. Key measures of success include increasing supplier response rates to the survey (55% for FY23) as well as increasing the proportion of responding suppliers each year who are a) tracking and measuring their energy and emissions and b) establishing GHG reduction goals. As a result of our engagement we are seeing increasing amounts of suppliers that are actively measuring their energy and GHG emissions, setting reduction goals, and starting to identify strategies to achieve these goals.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**GHG disclosures

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Total water withdrawal volumes reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

Information collection

☑ Collect environmental risk and opportunity information at least annually from suppliers

☑ Collect water quality information at least annually from suppliers (e.g., discharge quality, pollution incidents, hazardous substances)

☑ Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:

☑ 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Suppliers are engaged through the RBA environmental survey and the RBA Facility Self-Assessment Questionnaire (SAQ). 350 of our suppliers have accounts in RBA online, which makes up more than 80% of procurement spend. RBA is an ideal platform for this engagement because, although we do not directly require suppliers to complete the water-related questions, suppliers are required to complete an SAQ before we audit their site. Therefore, the number of suppliers that answer these questions continues to grow as we grow our audit scope.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**RBA Code of Conduct

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ No

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Align your organization's goals to support customers' targets and ambitions

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 26-50%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 51-75%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Scope 3 Category 11 covering the use of our semiconductor products in our customer's facilities is the largest contributor to our Scope 3 emissions, representing nearly 80% of our total GHG footprint. Applied Materials cannot achieve its own Scope 3 reduction goals without engaging our customers. We share information with our largest customers by sales and emissions about our low-carbon and more efficient product offerings and will collaborate with customers to model energy savings opportunities and implement solutions, such as our iSystem intelligent controller, which enables tracking of resource consumption, emissions, and other environmental factors. We prioritize our largest customers to amplify the impact these products can have in the market; fortunately, these largest customers are also generally the ones with their own established climate and energy-related goals and initiatives, which we can support through hardware and software solutions. Much of our footprint depends on how our customers use our equipment; therefore, close collaboration is needed to support the development of lower impact processes.

(5.11.9.6) Effect of engagement and measures of success

With this design support, our product groups' responsibilities extend beyond traditional performance attributes to encompass sustainability performance as well—adding new features to our existing portfolio of energy-saving product enhancements, passing on substantial energy saving opportunities to our customers, and modelling sustainability leadership industry-wide.For example, we have redesigned chillers and chilling processes to reduce energy and water consumption, locating sensors optimally to collect data and inform sustainability improvements, etc. Through such measures we have enabled annual energy use reductions in the tens of millions of kWh per year for our customers, and we expect this trend to continue to increase in the coming years. Key measures of success include maintaining or increasing engagement with customers representing at least 70% of Scope 3 Category 11 emissions, increasing the total number of energy-saving projects implemented per customer per year, and increasing the total annual savings of such projects in terms of kWh and CO2e.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 1-25%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Only a few select types of Applied Materials tools require ultrapure water in production processes. Most of our tools only require cooling water, which runs in a closed-loop process and is negligible in terms of water consumption. Because of this, our focus on water has come through the lens of energy efficiency, such as hardware and software processes that reduce water flow and thus the required energy to pump the water. We are working with our largest customers, who collectively represent over 70% of our scope 3 category 11 emissions, to share these types of solutions as a part of our Design for Sustainability program, which is part of our strategy to optimize our equipment and to drive energy and water reductions with customers where we can make the greatest impact. Applied Materials is also starting to gather water consumption indicators across its tools as a part of our 3x30 product efficiency modelling initiative to identify efficiency opportunities for specific tools so we can engage with customers on options for reducing future water use.

(5.11.9.6) Effect of engagement and measures of success

Engagement success is measured through the total number of projects where efficiency measures are implemented across our tools and the total reductions associated with such projects.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 26-50%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Applied's investors have a vested interest in the sustainability and success of Applied's business. That includes a desire to understand what actions the company is taking to manage its climate and other environmental impacts, and how its addressing risks and opportunities associated with climate change. Applied Materials engages shareholders through a series of investor outreach meetings conducted throughout the year, where the company's climate strategy and targets are reviewed, and opportunities for improvement are discussed. These stakeholders provide valuable input to ensure Applied maintains its leading reputation on ESG and that we are effectively managing and capitalizing on climate risk and opportunities.

(5.11.9.6) Effect of engagement and measures of success

Applied's investors have positively influenced the ambition and credibility of Applied's overall ESG program, particularly in the development of the company's Scope 1, 2, and 3 science-based targets, and 2040 Net Zero Playbook. This stakeholder group holds Applied accountable to making progress towards its commitments, and ensures that material ESG issues are effectively managed. An indirect measure of success includes Applied's strong ESG ratings and rankings, including ISS, MSCI, and Sustainalytics.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify **:**Customer's customers

(5.11.9.2) Type and details of engagement

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

☑ Engage with stakeholders to advocate for policy or regulatory change

☑ Other innovation and collaboration, please specify **:**industry collaboration on collective action to reduce industry-scale emissions

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ Unknown

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Unknown

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Applied cannot achieve its Net Zero roadmap alone. Collective industry action is required to create the pathway to scale climate-aligned solutions and meet our collective climate targets. That is why Applied actively engages with industry peers, particularly through the SEMI Climate Consortium (SCC), to collaborate and share best practices on ways to advance towards a Net Zero economy. Applied sits on the Governing Council of the SCC and engages in various working groups that address various impacts, including Scope 1, Scope 2, and Scope 3 working groups that are defining industry-specific guidelines and best practices, as well as other groups defining reporting standards and setting the ambition and roadmap for the industry toward Net Zero.

(5.11.9.6) Effect of engagement and measures of success

Applied benefits from industry engagement on many levels. We are able to share and glean best practices, collectively pool our resources and expertise to drive solutions and define strategies and identify new opportunities that could help us collectively meet our climate goals. Key measures of success identified in the SCC include the total number of companies that are joined as members, the number and % of companies in the membership that are measuring and reporting energy and GHG emission data, and those that are setting emissions reduction targets.
[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

(5.13.1) Environmental initiatives implemented due to CDP Supply Chain member engagement

Select from:

☑ No, and we do not plan to within the next two years

(5.13.2) Primary reason for not implementing environmental initiatives

Select from:

☑ Other, please specify **:**We drive implementation of environmental initiatives through other channels (industry groups, partnership, etc.)

(5.13.3) Explain why your organization has not implemented any environmental initiatives

Applied has implemented various environmental initiatives across its business and value chain through other channels (industry groups, partnership, etc.), but none have been driven by CDP Supply Chain engagement.
[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

The operational control approach is the standard way relevant data is tracked across the business and most accurately reflects where the company has control over the related impacts.

Water

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

The operational control approach is the standard way relevant data is tracked across the business and most accurately reflects where the company has control over the related impacts.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

The operational control approach is the standard way relevant data is tracked across the business and most accurately reflects where the company has control over the related impacts.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

The operational control approach is the standard way relevant data is tracked across the business and most accurately reflects where the company has control over the related impacts.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☑ Yes, a change in methodology

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

Baseline 2019 emissions and 2020, 2021, and 2022 emissions have been restated due to a change in scope 1 process gas methodology based on gas purchase/invoice records instead of engineering estimates. We aligned the methodology for measuring process gases across key R&D facilities to improve the accuracy and consistency of our data in alignment with our science-based targets.
[Fixed row]

(7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

☑ Scope 1

☑ Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

Applied triggers a base year inventory recalculation when the variance is greater than 5% within a reporting category, and the category itself contributes to more than 5% of overall Scope 3 emissions.

(7.1.3.4) Past years’ recalculation

Select from:

☑ Yes

[Fixed row]

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

☑ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

Many of our operations are located in regions that have substantial quantities of renewable electricity sources available. To capture these benefits we are reporting both market-based and location-based figures.
[Fixed row]

(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Row 1

(7.4.1.1) Source of excluded emissions

Upstream procurement spend from recent business acquisition (completed in FY22)

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Purchased goods and services

☑ Scope 3: Capital goods

☑ Scope 3: Upstream transportation and distribution

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions excluded due to a recent acquisition or merger

(7.4.1.7) Date of completion of acquisition or merger

06/30/2022

(7.4.1.10) Explain why this source is excluded

Procurement data from the recently acquired business is still in the process of being integrated into Applied's procurement spend systems. The data is expected to be incorporated in the next reporting cycle.

Row 2

(7.4.1.1) Source of excluded emissions

Emissions associated with the direct energy required to power Applied Display products sold in FY23

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 3: Use of sold products

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

☑ Emissions are relevant but not yet calculated

(7.4.1.9) Estimated percentage of total Scope 3 emissions this excluded source represents

2.4

(7.4.1.10) Explain why this source is excluded

Applied does not have the same level of data granularity available for its Display products to enable the calculation of use-phase emissions. Because this category of products represented just 3% of FY23 revenues it has not been deemed material to total Scope 3 Category 11 emissions.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

Display and Adjacent Markets net sales as a percentage out of total Applied net sales in FY23 was 3%. This fraction of total Category 11 emissions represents 2% of total Scope 3 emissions.
[Add row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

35225

(7.5.3) Methodological details

Scope 1 emissions follow an operational control boundary across all global sites. Greenhouse gas (GHG) emissions are calculated following the GHG Protocol, covering all greenhouse gases included in the Kyoto Protocol: CO2, CH4, N2O, HFCs, PCFs, SF6, and NF3 and include sources from stationary combustion, mobile combustion, refrigerants, and process emissions. Process Gas GHG emissions are estimated using 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Scope 2 (location-based)

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

144371

(7.5.3) Methodological details

Scope 2 emissions follow an operational control boundary across all global sites. Emissions are calculated following the GHG Protocol using published emission factors such as eGRID, IEA, EIA CBECS. Scope 2 GHG emissions will primarily be calculated from metered electricity consumption. Informed estimations are used where primary data is limited or unavailable.

Scope 2 (market-based)

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

78677

(7.5.3) Methodological details

Scope 2 emissions follow an operational control boundary across all global sites. Emissions are calculated following the GHG Protocol and Emissions First principles for market-based calculations using a variety of emission factor sources, including supplier-specific factors (where available), eGRID, IEA, EIA CBECS. Informed estimations are used where primary data is limited or unavailable. Market-based emissions incorporate any renewable energy that we procure through VPPAs, PPAs, Green Tariff (utility supplier specific emission factors), and unbundled RECs.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

1862516

(7.5.3) Methodological details

Spend-based analysis of total 2019 direct and indirect spend using 2019 U.S. EPA EEIO factors

Scope 3 category 2: Capital goods

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

61953

(7.5.3) Methodological details

Spend-based analysis of total 2019 capital spend using 2019 U.S. EPA EEIO factors

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

36012

(7.5.3) Methodological details

Average-data method using total 2019 energy consumption by source and 2019 DEFRA fuels and T&D emission factors. Well-to-tank (WTT) emissions from Transmission & Distribution (T&D) losses are not included.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

567080

(7.5.3) Methodological details

Revised from last year's disclosure to incorporate inadvertent data gaps. Spend-based analysis of total 2019 transportation and distribution spend by mode (air, ocean, ground) using 2019 U.S. EPA EEIO factors.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

531

(7.5.3) Methodological details

2019 waste tonnage by disposal method using relevant 2019 DEFRA waste emission factors. Represents data from over 80% of sites by square footage.

Scope 3 category 6: Business travel

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

97953

(7.5.3) Methodological details

Air travel calculated using total 2019 distances traveled by cabin type multiplied by the relevant DEFRA business travel emission factor; Hotel stays based on total number of nights multiplied by the 2019 DEFRA hotel stay emission factors; Vehicle rentals based on total 2019 spend using 2019 U.S. EPA EEIO factors

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

76751

(7.5.3) Methodological details

Estimated using total 2019 employee headcount by region; Assumption on proportion of employees in each region commuting by various transportation modes and average distances travelled (based on country census or commuter survey data); Calculated using the relevant 2019 DEFRA transportation mode factor

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

2601

(7.5.3) Methodological details

Includes leased vehicles and equipment with total 2019 fuel consumption or mileage using 2019 DEFRA fuel and vehicle factors. Where fuel consumption or distance is not available, estimates are used based on number and type of vehicles.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

191577

(7.5.3) Methodological details

Estimated using total number of shipped units in 2019 with an average weight per unit and a breakdown of which global regions they were shipped to; The average distance per unit was estimated using the most common shipping locations; The mode of transport breakdown was based on available outbound data; Calculated using the relevant 2019 U.S. EPA ton-mile factor

Scope 3 category 10: Processing of sold products

(7.5.3) Methodological details

Not applicable - Applied's products are not processed by customers

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

10203120

(7.5.3) Methodological details

Calculated based on 2019 sold units using the SEMI S23 standard to model Applied Materials semiconductor tools' annual energy consumption across product categories, multiplied by an average 10-year product lifespan. Emissions in this category include the energy, chemicals and gases used by Applied products as well as the ancillary equipment required to power Applied products. The category also includes emissions from the combustion of natural gas in point-of-use abatement systems where applicable. Category 11 emissions do not yet include emissions from refurbished tools, nor from Applied's Display business (which represented 11% of total net sales in 2019). We will incorporate these emissions estimates in future reporting years.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

713

(7.5.3) Methodological details

Using total weight of 2019 shipped units broken down using an assumption on material composition multiplied by the relevant 2019 DEFRA waste factors

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

3330

(7.5.3) Methodological details

Estimated based on square footage of leased assets by building type using CBECS conversion factors.

Scope 3 category 14: Franchises

(7.5.3) Methodological details

Not applicable – Applied does not have any franchises

Scope 3 category 15: Investments

(7.5.1) Base year end

10/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

4492

(7.5.3) Methodological details

Based on investee business sector, total 2019 revenues, and % ownership stake mapped to Trucost sector spend-based emission factors. We excluded investments that are currently divested.

Scope 3: Other (upstream)

(7.5.3) Methodological details

Not applicable

Scope 3: Other (downstream)

(7.5.3) Methodological details

Not applicable
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

49053

(7.6.3) Methodological details

Scope 1 emissions follow an operational control boundary across all global sites. Greenhouse gas (GHG) emissions are calculated following the GHG Protocol, covering all greenhouse gases included in the Kyoto Protocol: CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3 and include sources from stationary combustion, mobile combustion, refrigerants, and process emissions. Process Gas GHG emissions are estimated using 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Source of data include purchased quantities of fuels (such as natural gas and heating oil), mobile fuels, added refrigerants, and purchased quantities of process gases using published emission factors.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

48633

(7.6.2) End date

10/31/2022

(7.6.3) Methodological details

Scope 1 emissions follow an operational control boundary across all global sites. Greenhouse gas (GHG) emissions are calculated following the GHG Protocol, covering all greenhouse gases included in the Kyoto Protocol: CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3 and include sources from stationary combustion, mobile combustion, refrigerants, and process emissions. Process Gas GHG emissions are estimated using 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Source of data include purchased quantities of fuels (such as natural gas and heating oil), mobile fuels, added refrigerants, and purchased quantities of process gases using published emission factors.

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

42396

(7.6.2) End date

10/31/2021

(7.6.3) Methodological details

Scope 1 emissions follow an operational control boundary across all global sites. Greenhouse gas (GHG) emissions are calculated following the GHG Protocol, covering all greenhouse gases included in the Kyoto Protocol: CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3 and include sources from stationary combustion, mobile combustion, refrigerants, and process emissions. Process Gas GHG emissions are estimated using 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Source of data include purchased quantities of fuels (such as natural gas and heating oil), mobile fuels, added refrigerants, and purchased quantities of process gases using published emission factors.

Past year 3

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

36678

(7.6.2) End date

10/31/2020

(7.6.3) Methodological details

Scope 1 emissions follow an operational control boundary across all global sites. Greenhouse gas (GHG) emissions are calculated following the GHG Protocol, covering all greenhouse gases included in the Kyoto Protocol: CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3 and include sources from stationary combustion, mobile combustion, refrigerants, and process emissions. Process Gas GHG emissions are estimated using 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Source of data include purchased quantities of fuels (such as natural gas and heating oil), mobile fuels, added refrigerants, and purchased quantities of process gases using published emission factors.

Past year 4

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

35225

(7.6.2) End date

10/31/2019

(7.6.3) Methodological details

Scope 1 emissions follow an operational control boundary across all global sites. Greenhouse gas (GHG) emissions are calculated following the GHG Protocol, covering all greenhouse gases included in the Kyoto Protocol: CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3 and include sources from stationary combustion, mobile combustion, refrigerants, and process emissions. Process Gas GHG emissions are estimated using 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Source of data include purchased quantities of fuels (such as natural gas and heating oil), mobile fuels, added refrigerants, and purchased quantities of process gases using published emission factors.
[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

170299

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

67661

(7.7.4) Methodological details

Scope 2 emissions follow an operational control boundary across all global sites. Emissions are calculated following the GHG Protocol. Emissions are calculated using a variety of emission factor sources including eGRID, IEA, EIA CBECS. Informed estimations are used where primary data is limited or unavailable. Market-based emissions incorporate any renewable energy that we procure through VPPAs, PPAs, Green Tariff (utility supplier specific emission factors), and unbundled RECs.

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

161303

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

72933

(7.7.3) End date

10/31/2022

(7.7.4) Methodological details

Scope 2 emissions follow an operational control boundary across all global sites. Emissions are calculated following the GHG Protocol. Emissions are calculated using a variety of emission factor sources including eGRID, IEA, EIA CBECS. Informed estimations are used where primary data is limited or unavailable. Market-based emissions incorporate any renewable energy that we procure through VPPAs, PPAs, Green Tariff (utility supplier specific emission factors), and unbundled RECs.

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

147087

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

65573

(7.7.3) End date

10/31/2021

(7.7.4) Methodological details

Scope 2 emissions follow an operational control boundary across all global sites. Emissions are calculated following the GHG Protocol. Emissions are calculated using a variety of emission factor sources including eGRID, IEA, EIA CBECS. Informed estimations are used where primary data is limited or unavailable. Market-based emissions incorporate any renewable energy that we procure through VPPAs, PPAs, Green Tariff (utility supplier specific emission factors), and unbundled RECs.

Past year 3

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

138521

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

77433

(7.7.3) End date

10/31/2020

(7.7.4) Methodological details

Scope 2 emissions follow an operational control boundary across all global sites. Emissions are calculated following the GHG Protocol. Emissions are calculated using a variety of emission factor sources including eGRID, IEA, EIA CBECS. Informed estimations are used where primary data is limited or unavailable. Market-based emissions incorporate any renewable energy that we procure through VPPAs, PPAs, Green Tariff (utility supplier specific emission factors), and unbundled RECs.

Past year 4

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

144371

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

78677

(7.7.3) End date

10/31/2019

(7.7.4) Methodological details

Scope 2 emissions follow an operational control boundary across all global sites. Emissions are calculated following the GHG Protocol. Emissions are calculated using a variety of emission factor sources including eGRID, IEA, EIA CBECS. Informed estimations are used where primary data is limited or unavailable. Market-based emissions incorporate any renewable energy that we procure through VPPAs, PPAs, Green Tariff (utility supplier specific emission factors), and unbundled RECs.
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2852968

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Spend-based analysis of total FY23 direct and indirect spend using 2023 U.S. EPA EEIO detailed commodity factors with sector-specific deflators applied to get to equivalent 2023 dollars. 2021 commodity detail emission factors from U.S. EPA Supply Chain Factors Dataset v1.2 - the deflator is determined using producer price indices at the sector account level, mapped to the relevant NAICS code using IMPLAN (2022). EEIO factors incorporate margins which include both direct and indirect emissions associated with production of commodity or industry from cradle to the point of sale.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

132506

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Spend-based analysis of total FY23 capital spend using 2023 U.S. EPA EEIO factors with sector-specific deflators applied to get to equivalent 2023 dollars. 2021 commodity detail emission factors from U.S. EPA Supply Chain Factors Dataset v1.2 - the deflator is determined using producer price indices at the sector account level, mapped to the relevant NAICS code using IMPLAN (2022).

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

59828

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Average-data method using total FY23 electricity consumption by country converted using 2021 IEA country-level fuel mix factors (via Ecoinvent v3.10) and fuel consumption by source converted using 2023 DEFRA fuels emissions factors.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

950522

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Spend-based analysis of total FY23 transportation and distribution spend by mode (air, ocean, ground) using 2023 U.S. EPA EEIO factors with a deflator applied to get to equivalent 2023 dollars. 2021 commodity detail emission factors from U.S. EPA Supply Chain Factors Dataset v1.2 - the deflator is determined using producer price indices at the sector account level, mapped to the relevant NAICS code using IMPLAN (2022).

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2015

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

FY23 waste tonnage by disposal method using a combination of 2023 DEFRA, EPA WARM v16, and Ecoinvent v3.10 (referencing IPCC 2021 GWP (AR6) waste disposal emission factors). The waste data represents over 80% of operations by square footage.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

96098

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

☑ Fuel-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions from global air, hotel, rail, and majority of car rentals booked through Applied's travel platform are calculated using 3rd party, Advito's, detailed analytics methodology; remaining travel-related emissions from sources not booked in Applied's travel platform (e.g., additional car rentals, taxi/ride-share, fuel reimbursement) are calculated using 2023 US EPA EEIO factors with a deflator applied to get to equivalent 2023 dollars. 2021 commodity detail emission factors from U.S. EPA Supply Chain Factors Dataset v1.2 - the deflator is determined using producer price indices at the sector account level, mapped to the relevant NAICS code using IMPLAN (2022).

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

41667

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Employee home city and primary office location are used to calculate round-trip commute distances. In cases where home or office location is missing, assumptions are set on average commute distance based on location. Where available, badge data is used to calculate frequency of commutes to the office. Where badge data is unavailable assumptions are made on frequency of commutes based on worker type and location. Assumptions are made on the modes of transportation used for commuting by country based on external research on transportation trends by country. 2023 DEFRA transportation emission factors are used to convert distances traveled by mode of transport to emissions, including WTT and tank-to-wheels (TTW) emissions. Employee home-working emissions are not included.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

6619

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Includes leased vehicles and equipment with total FY23 fuel consumption or mileage using 2023 DEFRA and 2020 IEA fuel and vehicle emission factors. Where fuel consumption or distance is not available, estimates are used based on number and type of vehicles. The calculation includes WTT emissions for vehicles.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

86304

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Estimated using total shipped units for FY23 with an average weight per unit and a breakdown of global receiving regions. The average distance per unit was estimated using the most frequent shipping locations. The mode of transport breakdown was based on available outbound data. Calculated using the relevant 2023 U.S. EPA ton-mile factors.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable - Applied's products are not processed by customers

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

18029534

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Average product method

☑ Methodology for direct use phase emissions, please specify **:**Includes emissions from equipment equivalent energy use and process chemicals

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated based on FY23 shipped units using the SEMI S23 standard to model Applied semiconductor tools' annual energy consumption across product categories, multiplied by an average 10-year product lifespan. Emissions in this category include the energy, chemicals and gases used by Applied semiconductor tools as well as the ancillary equipment required to power the tools. Also includes emissions from the combustion of natural gas in point-of-use abatement systems where applicable. 2021 country-specific IEA electricity factors are applied based on the country tools were shipped to; IPCC semiconductor emission factors are used to calculate process gas-related emissions. Calculations do not include emissions from Applied's Display business (which represent 3% of total net sales in FY23) or from refurbished tools.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

636

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Based on total estimated weight of FY23 shipped units. Uses an assumption on primary material composition of products. Calculated using relevant 2023 DEFRA and EPA WARM v16 waste disposal factors.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2303

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Estimated based on the square footage of leased-out assets by building type, converted using EIA CBECS (2022). Emissions are calculated using 2021 IEA and 2021 e-GRID GWP factors (via Ecoinvent v3.10) and 2023 DEFRA factors. Includes WTT and T&D emissions from leased facilities.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable – Applied does not have any franchises

Investments

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

222001

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Based on FY23 annual investment value () of holding within investee companies. Calculated using 2023 US EPA EEIO factors with a deflator applied to get to equivalent 2023 dollars mapped to the relevant investee sector. 2021 commodity detail emission factors from U.S. EPA Supply Chain Factors Dataset v1.2 - the deflator is determined using producer price indices at the sector account level, mapped to the relevant NAICS code using IMPLAN (2022). The calculation excludes project finance and debt investments; managed investments and client services are not applicable.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Applied Materials does not have any other upstream emissions sources

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Applied Materials does not have any other downstream emissions sources
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

10/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

3882759

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

179156

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

56544

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

1998985

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

1941

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

52538

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

31902

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

3860

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

229937

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

18821840

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

940

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

2870

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

158658

(7.8.1.19) Comment

Category 10 (Processing of Sold Product), Category 14 (Franchises), Other upstream, and other (downstream) are not relevant and not calculated. These columns have been left blank.

Past year 2

(7.8.1.1) End date

10/31/2021

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

3231545

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

148968

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

52142

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

1340467

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

1975

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

22383

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

24343

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

3715

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

144619

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

16500030

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

845

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

3989

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

141055

(7.8.1.19) Comment

Category 10 (Processing of Sold Product), Category 14 (Franchises), Other upstream, and other (downstream) are not relevant and not calculated. These columns have been left blank.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place

	Verification/assurance status
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

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(7.9.1.5) Page/section reference

Pages 1-3

(7.9.1.6) Relevant standard

Select from:
☑ ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

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(7.9.2.6) Page/ section reference

Page 1-3

(7.9.2.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

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(7.9.2.6) Page/ section reference

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(7.9.2.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Investments
☑ Scope 3: Capital goods
☑ Scope 3: Business travel
☑ Scope 3: Employee commuting
☑ Scope 3: Use of sold products
☑ Scope 3: Upstream transportation and distribution
☑ Scope 3: Downstream transportation and distribution
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
☑ Scope 3: Upstream leased assets
☑ Scope 3: Downstream leased assets
☑ Scope 3: Purchased goods and services
☑ Scope 3: Waste generated in operations
☑ Scope 3: End-of-life treatment of sold products

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.3.5) Attach the statement

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(7.9.3.6) Page/section reference

Page 1-3

(7.9.3.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

14267

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

12

(7.10.1.4) Please explain calculation

*The gross global emissions (Scope 1 2 market-based) of Applied Materials for this reporting year are 116,715 metric tons of CO2e. Our gross global emissions for the previous reporting year were 121,566 metric tons of CO2e. The total change in emissions is -4,852 metric tons of CO2e, equal to a 4% decrease, according to the formula in the explanation of terms above: (-4852/121,566) * 100 -4%. The decrease is mainly driven by a decrease in Scope 2 emissions due to the increase in renewable energy use driven in large part by increased availability of renewable electricity in the Asia Pacific region. Energy emissions savings from renewable energy assumed as (Location-based Scope 2 - Market-based Scope 2).The change in emissions due to renewable energy consumption is calculated based on the difference of (FY22 Location-based Scope 2 minus FY22 Market-based Scope 2) subtracted from(FY023 Location-based Scope 2 minus FY23 Market-based Scope 2): (170,299-67,661)-(161,303-72,933)14,267 tCO2e. Emissions value % calculated as 14,267 divided by 121,566 tCO2e (FY22 total Scope 12 (Market).*

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

1203

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

1

(7.10.1.4) Please explain calculation

This figure is the total of CO2e savings from implementing energy efficiency upgrades such as LED lighting, building automation, etc. in our reporting year.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No significant change.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No significant change.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No significant change.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

10619

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

9

(7.10.1.4) Please explain calculation

This increase is a result of increased business activity and the expansion of our operational footprint. The gross global emissions (Scope 1 2 market-based) of Applied Materials for this reporting year are 116,715 metric tons of CO2e. Our gross global emissions for the previous reporting year were 121,566 metric tons of CO2e. This means that the total change in emissions is -4,851 metric tons of CO2e. We estimate that the total change in emissions from FY22 to FY23 is driven by increase in renewable energy consumption (14,267 tCO2e), other emissions reduction activities (1,203 tCO2e), and the increase in output (10,619 tCO2e). The estimated breakdown of changes listed above total to a decrease of 4,851 tCO2e (-14,267) (-1,203) (10,619). Emissions value % of 9% is calculated as 10,619 tCO2e divided by 121,566 tCO2e (FY22 total Scope 12 (Market)).

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No significant change.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No significant change.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No significant change.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable.

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable.
[Fixed row]

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

25119

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0.34

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

3314

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:

☑ PFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

10658

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 5

(7.15.1.1) Greenhouse gas

Select from:

☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

1634

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 6

(7.15.1.1) Greenhouse gas

Select from:

☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

2727

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 7

(7.15.1.1) Greenhouse gas

Select from:
☑ NF3

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

5601

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)
[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

Austria

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

3

(7.16.3) Scope 2, market-based (metric tons CO2e)

3

Belgium

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

3

(7.16.3) Scope 2, market-based (metric tons CO2e)

3

Canada

(7.16.1) Scope 1 emissions (metric tons CO2e)

13

(7.16.2) Scope 2, location-based (metric tons CO2e)

13

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

China

(7.16.1) Scope 1 emissions (metric tons CO2e)

1596

(7.16.2) Scope 2, location-based (metric tons CO2e)

11940

(7.16.3) Scope 2, market-based (metric tons CO2e)

7557

Finland

(7.16.1) Scope 1 emissions (metric tons CO2e)

1

(7.16.2) Scope 2, location-based (metric tons CO2e)

466

(7.16.3) Scope 2, market-based (metric tons CO2e)

427

France

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

9

(7.16.3) Scope 2, market-based (metric tons CO2e)

9

Germany

(7.16.1) Scope 1 emissions (metric tons CO2e)

867

(7.16.2) Scope 2, location-based (metric tons CO2e)

2439

(7.16.3) Scope 2, market-based (metric tons CO2e)

516

Greece

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

25

(7.16.3) Scope 2, market-based (metric tons CO2e)

17

India

(7.16.1) Scope 1 emissions (metric tons CO2e)

455

(7.16.2) Scope 2, location-based (metric tons CO2e)

6234

(7.16.3) Scope 2, market-based (metric tons CO2e)

4708

Ireland

(7.16.1) Scope 1 emissions (metric tons CO2e)

4

(7.16.2) Scope 2, location-based (metric tons CO2e)

19

(7.16.3) Scope 2, market-based (metric tons CO2e)

19

Israel

(7.16.1) Scope 1 emissions (metric tons CO2e)

68

(7.16.2) Scope 2, location-based (metric tons CO2e)

20171

(7.16.3) Scope 2, market-based (metric tons CO2e)

20171

Italy

(7.16.1) Scope 1 emissions (metric tons CO2e)

134

(7.16.2) Scope 2, location-based (metric tons CO2e)

248

(7.16.3) Scope 2, market-based (metric tons CO2e)

248

Japan

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

556

(7.16.3) Scope 2, market-based (metric tons CO2e)

556

Malaysia

(7.16.1) Scope 1 emissions (metric tons CO2e)

9

(7.16.2) Scope 2, location-based (metric tons CO2e)

90

(7.16.3) Scope 2, market-based (metric tons CO2e)

66

Netherlands

(7.16.1) Scope 1 emissions (metric tons CO2e)

12

(7.16.2) Scope 2, location-based (metric tons CO2e)

56

(7.16.3) Scope 2, market-based (metric tons CO2e)

56

Philippines

(7.16.1) Scope 1 emissions (metric tons CO2e)

4

(7.16.2) Scope 2, location-based (metric tons CO2e)

44

(7.16.3) Scope 2, market-based (metric tons CO2e)

32

Republic of Korea

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

2453

(7.16.3) Scope 2, market-based (metric tons CO2e)

2453

Singapore

(7.16.1) Scope 1 emissions (metric tons CO2e)

490

(7.16.2) Scope 2, location-based (metric tons CO2e)

9377

(7.16.3) Scope 2, market-based (metric tons CO2e)

9377

Taiwan, China

(7.16.1) Scope 1 emissions (metric tons CO2e)

475

(7.16.2) Scope 2, location-based (metric tons CO2e)

25452

(7.16.3) Scope 2, market-based (metric tons CO2e)

21435

United Kingdom of Great Britain and Northern Ireland

(7.16.1) Scope 1 emissions (metric tons CO2e)

4

(7.16.2) Scope 2, location-based (metric tons CO2e)

12

(7.16.3) Scope 2, market-based (metric tons CO2e)

12

United States of America

(7.16.1) Scope 1 emissions (metric tons CO2e)

44921

(7.16.2) Scope 2, location-based (metric tons CO2e)

90693

(7.16.3) Scope 2, market-based (metric tons CO2e)

0
[Fixed row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Mobile Combustion*	*14*
Row 2	*Refrigerants*	*1634*
Row 3	*Process Emissions*	*22302*
Row 4	*Stationary Combustion*	*25103*

[Add row]

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*NAMER (North America)*	*90706*	*0*
Row 2	*APAC (Asia Pacific)*	*56146*	*46185*
Row 3	*EMEA (Europe, the Middle East and Africa)*	*23446*	*21476*

[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)
Row 1	*Manufacturing/Lab*	*82738*
Row 2	*Office*	*24633*
Row 3	*Warehouse*	*8971*
Row 4	*Mixed Use*	*53957*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

49053

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

170299

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

67661

(7.22.4) Please explain

All Applied owned and operated entities are included in the consolidated accounting group.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

All Applied owned and operated entities are included in the consolidated accounting group.
[Fixed row]

(7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Row 1

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

16700000

(7.26.9) Emissions in metric tonnes of CO2e

30.89

(7.26.10) Uncertainty (±%)

20

(7.26.11) Major sources of emissions

Process gas emissions from R&D lab operations and stationary combustion of natural gas and diesel.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The allocation is based on our company wide Scope 1 emissions following an operational control boundary across all global sites. The allocation is calculated by multiplying our company wide emissions by the sales ratio (Samsung Display sales make up 0.063% of our total sales in FY23). The major limitation in this approach is that we are assuming the proportion of emissions by sales dollars or units. Allocating emissions to a specific customer is inherently complex considering the total number of customers Applied Materials works with the large variety of products and services supplied to each customer and the inability to isolate manufacturing and RD process to a particular customer in a given year.

(7.26.14) Where published information has been used, please provide a reference

Not Applicable

Row 2

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

16700000

(7.26.9) Emissions in metric tonnes of CO2e

42.61

(7.26.10) Uncertainty (±%)

20

(7.26.11) Major sources of emissions

Electricity used to power our lab/manufacturing operations, lighting in offices and warehouses

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The allocation is based on our company wide Scope 2 emissions following an operational control boundary across all global sites. The allocation is calculated by multiplying our company wide emissions by the sales ratio (Samsung Display sales make up 0.063% of our total sales in FY23). The major limitation in this approach is that we are assuming the proportion of emissions by sales dollars or units. Allocating emissions to a specific customer is inherently complex considering the total number of customers Applied Materials works with the large variety of products and services supplied to each customer and the inability to isolate manufacturing and RD process to a particular customer in a given year.

(7.26.14) Where published information has been used, please provide a reference

Not Applicable

Row 3

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:
☑ Company wide

(7.26.6) Allocation method

Select from:
☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:
☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

3374000000

(7.26.9) Emissions in metric tonnes of CO2e

6241.5

(7.26.10) Uncertainty (±%)

20

(7.26.11) Major sources of emissions

Process gas emissions from R&D lab operations and stationary combustion of natural gas and diesel.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The allocation is based on our company wide Scope 1 emissions following an operational control boundary across all global sites and is calculated by multiplying our company wide emissions by the sales ratio (Samsung Electronics sales make up 12.72% of our total sales in FY23). The major limitation in this approach is that we are assuming the proportion of emissions by sales dollars or units. Allocating emissions to a specific customer is inherently complex considering the total number of Applied Materials customers, the large variety of products and services supplied to each customer, and the inability to isolate manufacturing and RD process to a particular customer in a given year.

(7.26.14) Where published information has been used, please provide a reference

Not Applicable.

Row 4

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

3374000000

(7.26.9) Emissions in metric tonnes of CO2e

8609.17

(7.26.10) Uncertainty (±%)

20

(7.26.11) Major sources of emissions

Electricity used to power our lab/manufacturing operations, lighting in offices and warehouses

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The allocation is based on our company wide Scope 2 emissions following an operational control boundary across all global sites. The allocation is calculated by multiplying our company wide emissions by the sales ratio (Samsung Electronics sales make up 12.72% of our total sales in FY23). The major limitation in this approach is that we are assuming the proportion of emissions by sales dollars or units. Allocating emissions to a specific customer is inherently complex considering the total number of Applied Materials customers, the large variety of products and services supplied to each customer, and the inability to isolate manufacturing and RD process to a particular customer in a given year.

(7.26.14) Where published information has been used, please provide a reference

Not Applicable.
[Add row]

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:

☑ Doing so would require we disclose business sensitive/proprietary information

(7.27.2) Please explain what would help you overcome these challenges

Some of the information being requested may be considered confidential or sensitive and should not be disclosed to protect the scale and scope of our various business relationships.

Row 2

(7.27.1) Allocation challenges

Select from:

☑ Customer base is too large and diverse to accurately track emissions to the customer level

(7.27.2) Please explain what would help you overcome these challenges

Allocating emissions, even just Scope 1 and 2 emissions, to a specific customer is inherently complex considering the total number of Applied Materials customers, the large variety of products and services supplied to each customer, and the inability to isolate manufacturing and RD process to a particular customer in a given year. Simply taking a proportion of emissions by sales dollars or units would not be an accurate approach. However, we are currently aligning on relevant industry level guidelines through the SEMI SCC Scope 3 working group and will adjust our approach accordingly.
[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:
☑ Yes

(7.28.2) Describe how you plan to develop your capabilities

Applied Materials has refined its GHG emission calculations substantially over the past few years. We understand the importance of helping allocate emissions to our key customers to enable collective action on emission reduction measures. Applied Materials is evaluating methods to provide credible, accurate data that does not compromise sensitive information about our various business relationships and is simultaneously engaging through industry groups such as SEMI to evaluate effective approaches to doing so systematically across the industry.
[Fixed row]

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

136715

(7.30.1.4) Total (renewable and non-renewable) MWh

136715

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

340125

(7.30.1.3) MWh from non-renewable sources

145416

(7.30.1.4) Total (renewable and non-renewable) MWh

485541

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:

☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

1437

(7.30.1.4) Total (renewable and non-renewable) MWh

1437

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

341562

(7.30.1.3) MWh from non-renewable sources

282131

(7.30.1.4) Total (renewable and non-renewable) MWh

623693
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ No
Consumption of fuel for the generation of heat	*Select from:* ☑ No
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Fuel type is not applicable to our operations.

Other biomass

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Fuel type is not applicable to our operations.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Fuel type is not applicable to our operations.

Coal

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Fuel type is not applicable to our operations.

Oil

(7.30.7.1) Heating value

Select from:

☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

2249

(7.30.7.8) Comment

diesel

Gas

(7.30.7.1) Heating value

Select from:

☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

134466

(7.30.7.8) Comment

natural gas and LPG

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Fuel type is not applicable to our operations.

Total fuel

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

136715

(7.30.7.8) Comment

diesel, natural gas, and LPG
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

1437

(7.30.9.2) Generation that is consumed by the organization (MWh)

1437

(7.30.9.3) Gross generation from renewable sources (MWh)

1437

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

1437

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Austria

(7.30.16.1) Consumption of purchased electricity (MWh)

26

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

26.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Belgium

(7.30.16.1) Consumption of purchased electricity (MWh)

24

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

24.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Canada

(7.30.16.1) Consumption of purchased electricity (MWh)

106

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

106.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded

China

(7.30.16.1) Consumption of purchased electricity (MWh)

19201

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

19201.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded

Finland

(7.30.16.1) Consumption of purchased electricity (MWh)

2027

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2027.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

France

(7.30.16.1) Consumption of purchased electricity (MWh)

175

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

175.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Germany

(7.30.16.1) Consumption of purchased electricity (MWh)

6972

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

6972.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Greece

(7.30.16.1) Consumption of purchased electricity (MWh)

35

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

35.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

India

(7.30.16.1) Consumption of purchased electricity (MWh)

8974

(7.30.16.2) Consumption of self-generated electricity (MWh)

0.3

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

8974.30

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

59

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

59.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Israel

(7.30.16.1) Consumption of purchased electricity (MWh)

45848

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

45848.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Italy

(7.30.16.1) Consumption of purchased electricity (MWh)

923

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

923.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Japan

(7.30.16.1) Consumption of purchased electricity (MWh)

1196

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1196.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Malaysia

(7.30.16.1) Consumption of purchased electricity (MWh)

138

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

138.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Netherlands

(7.30.16.1) Consumption of purchased electricity (MWh)

180

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

180.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Philippines

(7.30.16.1) Consumption of purchased electricity (MWh)

62

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

62.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Republic of Korea

(7.30.16.1) Consumption of purchased electricity (MWh)

5270

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

5270.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Singapore

(7.30.16.1) Consumption of purchased electricity (MWh)

24095

(7.30.16.2) Consumption of self-generated electricity (MWh)

97

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

24192.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

Taiwan, China

(7.30.16.1) Consumption of purchased electricity (MWh)

46437

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

46437.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

United Kingdom of Great Britain and Northern Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

57

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:
☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

57.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

323786

(7.30.16.2) Consumption of self-generated electricity (MWh)

1340

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☑ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

325126.00

(7.30.16.7) Provide details of the electricity consumption excluded

No electricity consumption excluded.
[Fixed row]

(7.30.17) Provide details of your organization’s renewable electricity purchases in the reporting year by country/area.

Row 1

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:

☑ United States of America

(7.30.17.2) Sourcing method

Select from:

☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.17.3) Renewable electricity technology type

Select from:

☑ Wind

(7.30.17.4) Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

144578

(7.30.17.5) Tracking instrument used

Select from:

☑ US-REC

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☑ United States of America

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.17.8) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

(7.30.17.9) Vintage of the renewable energy/attribute (i.e. year of generation)

Select from:

☑ 2023

(7.30.17.10) Supply arrangement start year

2021

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:

☑ Green-e Certified(R) Renewable Energy

(7.30.17.12) Comment

White Mesa Wind VPPA

Row 2

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:

☑ United States of America

(7.30.17.2) Sourcing method

Select from:

☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.17.3) Renewable electricity technology type

Select from:

☑ Renewable electricity mix, please specify :Solar + wind

(7.30.17.4) Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

45798

(7.30.17.5) Tracking instrument used

Select from:

☑ US-REC

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☑ United States of America

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.17.9) Vintage of the renewable energy/attribute (i.e. year of generation)

Select from:

☑ 2023

(7.30.17.10) Supply arrangement start year

2021

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:

☑ No additional, voluntary label

(7.30.17.12) Comment

Austin Energy standard delivery of renewable electricity

Row 3

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:

☑ United States of America

(7.30.17.2) Sourcing method

Select from:

☑ Unbundled procurement of Energy Attribute Certificates (EACs)

(7.30.17.3) Renewable electricity technology type

Select from:

☑ Wind

(7.30.17.4) Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

60548

(7.30.17.5) Tracking instrument used

Select from:

☑ US-REC

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☑ United States of America

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.17.8) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

(7.30.17.9) Vintage of the renewable energy/attribute (i.e. year of generation)

Select from:

☑ 2023

(7.30.17.10) Supply arrangement start year

2021

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:

☑ Green-e Certified(R) Renewable Energy

(7.30.17.12) Comment

Applied Materials purchased unbundled wind RECs

Row 4

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:

☑ United States of America

(7.30.17.2) Sourcing method

Select from:

☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.17.3) Renewable electricity technology type

Select from:

☑ Renewable electricity mix, please specify :Solar + Wind

(7.30.17.4) Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

72861

(7.30.17.5) Tracking instrument used

Select from:

☑ US-REC

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☑ United States of America

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.17.9) Vintage of the renewable energy/attribute (i.e. year of generation)

Select from:

☑ 2023

(7.30.17.10) Supply arrangement start year

2017

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:
☑ No additional, voluntary label

(7.30.17.12) Comment

Silicon Valley Clean Energy Community Choice Energy program and San Jose Clean Energy program

Row 5

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:
☑ Germany

(7.30.17.2) Sourcing method

Select from:
☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.17.3) Renewable electricity technology type

Select from:
☑ Large hydropower (>25 MW)

(7.30.17.4) Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

5501

(7.30.17.5) Tracking instrument used

Select from:

☑ GO

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☑ Germany

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.17.9) Vintage of the renewable energy/attribute (i.e. year of generation)

Select from:

☑ 2023

(7.30.17.10) Supply arrangement start year

2019

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:

☑ No additional, voluntary label

(7.30.17.12) Comment

Applied Materials' Alzenau site is powered by 100% sustainable hydropower

Row 6

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:

☑ India

(7.30.17.2) Sourcing method

Select from:

☑ Purchase from an on-site installation owned by a third party (on-site PPA)

(7.30.17.3) Renewable electricity technology type

Select from:

☑ Solar

(7.30.17.4) Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

3296

(7.30.17.5) Tracking instrument used

Select from:

☑ Contract

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☑ India

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.17.9) Vintage of the renewable energy/attribute (i.e. year of generation)

Select from:

☑ 2023

(7.30.17.10) Supply arrangement start year

2019

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:

☑ No additional, voluntary label

(7.30.17.12) Comment

Onsite solar PPA at International Tech Park campus in Bengaluru

Row 7

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:

☑ China

(7.30.17.2) Sourcing method

Select from:

☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.17.3) Renewable electricity technology type

Select from:

☑ Renewable electricity mix, please specify :solar + wind

(7.30.17.4) Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

7039

(7.30.17.5) Tracking instrument used

Select from:

☑ GEC

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☑ China

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.17.9) Vintage of the renewable energy/attribute (i.e. year of generation)

Select from:

☑ 2023

(7.30.17.10) Supply arrangement start year

2023

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:

☑ No additional, voluntary label

(7.30.17.12) Comment

Xi'an Renewable energy procurement

Row 8

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:

☑ Malaysia

(7.30.17.2) Sourcing method

Select from:

☑ Purchase from an on-site installation owned by a third party (on-site PPA)

(7.30.17.3) Renewable electricity technology type

Select from:

☑ Solar

(7.30.17.4) Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

17

(7.30.17.5) Tracking instrument used

Select from:

☑ Contract

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☑ Malaysia

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.17.9) Vintage of the renewable energy/attribute (i.e. year of generation)

Select from:

☑ 2023

(7.30.17.10) Supply arrangement start year

2023

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:

☑ No additional, voluntary label

(7.30.17.12) Comment

Onsite solar at Kulim KHTP Business Center

Row 9

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:

☑ Taiwan, China

(7.30.17.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.17.3) Renewable electricity technology type

Select from:

☑ Wind

(7.30.17.4) Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

487

(7.30.17.5) Tracking instrument used

Select from:

☑ T-REC

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☑ Taiwan, China

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.17.9) Vintage of the renewable energy/attribute (i.e. year of generation)

Select from:

☑ 2023

(7.30.17.10) Supply arrangement start year

2023

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:

☑ No additional, voluntary label

(7.30.17.12) Comment

Taiwan onshore wind PPA
[Add row]

(7.30.19) Provide details of your organization’s renewable electricity generation by country/area in the reporting year.

Row 1

(7.30.19.1) Country/area of generation

Select from:
☑ India

(7.30.19.2) Renewable electricity technology type

Select from:
☑ Solar

(7.30.19.3) Facility capacity (MW)

0.26

(7.30.19.4) Total renewable electricity generated by this facility in the reporting year (MWh)

0.3

(7.30.19.5) Renewable electricity consumed by your organization from this facility in the reporting year (MWh)

0.3

(7.30.19.6) Energy attribute certificates issued for this generation

Select from:
☑ No

(7.30.19.8) Comment

owned onsite solar

Row 2

(7.30.19.1) Country/area of generation

Select from:
☑ Singapore

(7.30.19.2) Renewable electricity technology type

Select from:
☑ Solar

(7.30.19.3) Facility capacity (MW)

0.35

(7.30.19.4) Total renewable electricity generated by this facility in the reporting year (MWh)

97

(7.30.19.5) Renewable electricity consumed by your organization from this facility in the reporting year (MWh)

97

(7.30.19.6) Energy attribute certificates issued for this generation

Select from:
☑ No

(7.30.19.8) Comment

owned onsite solar

Row 3

(7.30.19.1) Country/area of generation

Select from:
☑ United States of America

(7.30.19.2) Renewable electricity technology type

Select from:
☑ Solar

(7.30.19.3) Facility capacity (MW)

1.2

(7.30.19.4) Total renewable electricity generated by this facility in the reporting year (MWh)

1340

(7.30.19.5) Renewable electricity consumed by your organization from this facility in the reporting year (MWh)

1340

(7.30.19.6) Energy attribute certificates issued for this generation

Select from:
☑ No

(7.30.19.8) Comment

owned onsite solar
[Add row]

(7.30.21) In the reporting year, has your organization faced barriers or challenges to sourcing renewable electricity?

	Challenges to sourcing renewable electricity
	Select from: ☑ Yes, in specific countries/areas in which we operate

[Fixed row]

(7.30.22) Provide details of the country/area-specific challenges to sourcing renewable electricity faced by your organization in the reporting year.

Row 1

(7.30.22.1) Country/area

Select from:

☑ Taiwan, China

(7.30.22.2) Reason why it was challenging to source renewable electricity within selected country/area

Select all that apply

☑ Limited supply of renewable electricity in the market

☑ Prohibitively priced renewable electricity

(7.30.22.3) Provide additional details of the barriers faced within this country/area

Taiwan's renewable energy market is still limited in scale and unable to meet the total demand needs of buyers in the market. What supply comes online is quickly purchased by much larger buyers, making it difficult and costly for more mid-sized companies like ours to participate. Further, market constraints also drive up the prices of what projects are available. Applied Materials has executed its first PPA in Taiwan, but it covers only a portion of our full load. Applied is also a member of

the SEMI Energy Collaborative, which is working to identify solutions to enable accelerated development of renewable energy in challenging APAC markets, including Taiwan. The group is actively sharing and discussing its findings with policymakers and regulators in Taiwan.

Row 2

(7.30.22.1) Country/area

Select from:

☑ Singapore

(7.30.22.2) Reason why it was challenging to source renewable electricity within selected country/area

Select all that apply

☑ Lack of electricity market structure supporting bilateral PPAs

☑ Limited supply of renewable electricity in the market

☑ Prohibitively priced renewable electricity

(7.30.22.3) Provide additional details of the barriers faced within this country/area

Singapore's renewable energy supply is extremely limited and constrained by the country's small physical footprint. Onsite solar seems to be the only viable option for most buyers. Applied Materials is developing further plans for such projects where possible; however, they will not deliver the volume of clean energy required by our operations. The only viable options available are either grid interconnection with neighboring countries or importing green hydrogen, which is still a nascent technology. Applied is also a member of the SEMI Energy Collaborative, which is working to identify solutions to enable accelerated development of renewable energy in challenging APAC markets, including Singapore. The group is actively developing a white paper to outline the findings of this research, and findings will be shared and discussed with local policymakers and regulators in Singapore.

Row 3

(7.30.22.1) Country/area

Select from:

☑ Republic of Korea

(7.30.22.2) Reason why it was challenging to source renewable electricity within selected country/area

Select all that apply

☑ Lack of credible renewable electricity procurement options (e.g. EACs, Green Tariffs)

☑ Limited supply of renewable electricity in the market

(7.30.22.3) Provide additional details of the barriers faced within this country/area

South Korea's market is similarly constrained, with no PPA/VPPA options available to the best of our knowledge. The centrally managed utility is prohibitive to new developers coming into the market and adding competitive solutions, and it's unclear how much the utility is doing to develop its own sources of renewable power. Applied is also a member of the SEMI Energy Collaborative, which is working to identify solutions to enable accelerated development of renewable energy in challenging APAC markets, including South Korea. The group is actively sharing and discussing its findings with policymakers and regulators in South Korea.
[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.0000044

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

116715

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

26517000000

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

7

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in output

(7.45.9) Please explain

We have decreased our Scope 2 market-based emissions by increasing renewable energy use, especially in the Asia Pacific region. We expanded our total renewable electricity by 7% from FY22 to FY23. We have also implemented emissions reduction activities, including lighting upgrades and energy conservation measures through upgrades to our building management systems. Additionally, some of the change may be attributed to a change in our business output. The % change from previous year is calculated using an updated FY22 intensity factor:121,566 tCO2e (FY22 restated Scope 12 market-based emissions) / 25,785,000,000 0.0000047. (0.0000044-0.0000047)/0.0000047-6.8% or approximately -7% change

Row 2

(7.45.1) Intensity figure

3.43

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

116715

(7.45.3) Metric denominator

Select from:

☑ full time equivalent (FTE) employee

(7.45.4) Metric denominator: Unit total

34000

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

7

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in output

(7.45.9) Please explain

We have been making progress to decrease our Scope 2 market based emissions by increasing renewable energy, especially in the Asia Pacific region.We expanded our total renewable electricity by 7% from FY22 to FY23. We have also implemented emissions reduction activities including lighting upgrades and energy conservation measures through upgrades to our Building Management Systems. Additionally, some of the change may be attributed to a change in our business output. The % change from previous year is calculated using an updated FY22 intensity factor:121,566 tCO2e (FY22 restated Scope 12 market-based emissions) / 33,000 FTE 3.68. (3.43-3.68)/3.68 -6.8% change or approximately -7% change
[Add row]

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:
☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:
☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Near-Term Approval Letter (15).pdf

(7.53.1.4) Target ambition

Select from:
☑ 1.5°C aligned

(7.53.1.5) Date target was set

07/01/2020

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

10/31/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

35225

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

78677

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

113902.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

10/31/2030

(7.53.1.55) Targeted reduction from base year (%)

50

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

56951.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

49053

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

67661

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

116714.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

-4.94

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

The absolute target covers 100% of our company-wide Scope 1 and Scope 2 market-based emissions in the base year and has been validation by SBTi. No exclusions.

(7.53.1.83) Target objective

50% reduction in Scope 1 and Scope 2 (market-based) CO2e emissions by 2030 from 2019 baseline.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Our FY23 Scope 1 and Scope 2 market-based emissions decreased by 4% from FY22. Our FY2023 Scope 1 and 2 emissions increased 2% from our 2019 baseline due to business growth. We are making progress to continue to reduce our Scope 2 market-based emissions by expanding our global renewable energy use. Other utility-level procurement of renewables as well as some efficiencies at our facilities are also supporting progress towards our goal. Looking forward, Applied Materials

has developed a roadmap to reach its goal of 100 renewable electricity globally, which will be the key lever to achieving our scope 1 and 2 SBT. In addition, measures to enhance efficiency across our buildings, manufacturing sites, and labs are also in the process of being evaluated as well as methods for any new buildings to meet high energy efficiency standards and have access to renewable electricity. For Scope 1 reductions we are looking at opportunities to implement electric powered systems instead of natural gas for stationary combustion. We are also looking at improvements in abatement of GHG process gases.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

☑ Int 1

(7.53.2.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.2.3) Science Based Targets initiative official validation letter

Near-Term Approval Letter (15).pdf

(7.53.2.4) Target ambition

Select from:

☑ Well-below 2°C aligned

(7.53.2.5) Date target was set

06/01/2023

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 3

(7.53.2.10) Scope 3 categories

Select all that apply

☑ Category 11: Use of sold products

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per USD($) value-added

(7.53.2.12) End date of base year

10/31/2019

(7.53.2.25) Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

1031

(7.53.2.32) Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

1031.0000000000

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

1031.0000000000

(7.53.2.46) % of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

100

(7.53.2.53) % of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

69

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

69

(7.53.2.55) End date of target

10/31/2030

(7.53.2.56) Targeted reduction from base year (%)

55

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

463.9500000000

(7.53.2.59) % change anticipated in absolute Scope 3 emissions

25

(7.53.2.72) Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

962

(7.53.2.79) Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

962.0000000000

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

962.0000000000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

12.17

(7.53.2.83) Target status in reporting year

Select from:

☑ New

(7.53.2.85) Explain target coverage and identify any exclusions

The target covers all direct product-use emissions from semiconductor products sold in FY23, which covers over 69% of total Scope 3 emissions in the base year. Direct product-use emissions cover the direct energy used to power Applied semiconductor products and do not include other indirect emissions sources such as

process gases and sub-fab fuel sources, per SBTi's requirements. Applied Materials' Display products (3% of total sales in FY23) are excluded from Category 11 calculations due to limited data availability.

(7.53.2.86) Target objective

55% reduction per million USD of value added of Scope 3 Category 11 emissions by 2030 from 2019 baseline for semiconductor products.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

There are two key components to Applied Materials' plan for achieving this target: 1) Reducing the energy and chemical impact of Applied Materials' products to make them more efficient, and 2) Customers powering our equipment with clean energy. Applied Materials has already established its 3x30 goals and program to make its products more efficient through various means, including improvements in product design, chemical abatement, and optimizing recipes. Many of our customers have established renewable energy and Scope 2 emission reduction goals. Applied Materials has engaged key customers to evaluate collaborative opportunities to expand the use of clean energy at fabs and is participating in industry groups such as the SEMI Climate Consortium, CEBA, and RE100 to ensure we're playing our part to expand clean energy access across our global markets.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

☑ Low 1

(7.54.1.2) Date target was set

07/01/2020

(7.54.1.3) Target coverage

Select from:

☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

☑ Electricity

(7.54.1.5) Target type: activity

Select from:

☑ Consumption

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

10/31/2019

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

400850

(7.54.1.9) % share of low-carbon or renewable energy in base year

39

(7.54.1.10) End date of target

10/31/2030

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

100

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

70

(7.54.1.13) % of target achieved relative to base year

50.82

(7.54.1.14) Target status in reporting year

Select from:

☑ Underway

(7.54.1.16) Is this target part of an emissions target?

This target is a part of Applied Materials' Scope 2 science-based target that has been approved by the Science Based Targets initiative.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ RE100

☑ Science Based Targets initiative

(7.54.1.18) Science Based Targets initiative official validation letter

Near-Term Approval Letter (15).pdf

(7.54.1.19) Explain target coverage and identify any exclusions

The target covers 100% of Applied Materials' electricity load and Scope 2 emissions.

(7.54.1.20) Target objective

100% of electricity at Applied globally comes from renewable sources by 2030

(7.54.1.21) Plan for achieving target, and progress made to the end of the reporting year

Applied Materials has maintained 100% renewable electricity in the U.S. for FY22 and FY23. Our global renewable electricity rate for FY23 was 70%. We worked with an outside consultant to evaluate the landscape of renewable energy opportunities across our global portfolio and developed a roadmap of procurement mechanisms (i.e., VPPA's, utility programs, onsite projects) to reach 100% renewable energy by 2030. Applied Materials is now focused on executing on this roadmap and identifying renewable energy solutions in key international markets such as Taiwan, Israel, and China.
[Add row]

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 2

(7.54.2.1) Target reference number

Select from:
☑ Oth 1

(7.54.2.3) Target coverage

Select from:
☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:
☑ Intensity

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Energy productivity

☑ Other, energy productivity, please specify **:**Scope 3 Category 11 (Use of Sold Products) emissions (CO2e)

(7.54.2.8) Figure or percentage in base year

1.75

(7.54.2.15) Is this target part of an emissions target?

This target is currently Applied's Scope 3 reduction goal, submitted and under review by SBTi.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ Science Based targets initiative - approved other

[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

07/01/2023

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

☑ Int1

(7.54.3.5) End date of target for achieving net zero

10/31/2040

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.54.3.10) Explain target coverage and identify any exclusions

The target covers 100% of Scope 1 and 2 emissions and 90% of total Scope 3 emissions. Applied has developed a Net Zero playbook – a clear pathway and detailed plan to work across our industry, including with customers and supply chain partners, on the journey to net zero.

(7.54.3.11) Target objective

Achieve net zero emissions for Scope 1, Scope 2, and Scope 3 by 2040.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ No, we do not plan to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

Applied plans to neutralize its residual Scope 1 emissions by 2030 to achieve its target of Net Zero emissions by that year. Applied has already begun to evaluate and perform due diligence on projects that could help achieve this objective, with a focus on quality to ensure the projects deliver actual carbon removals and minimize risks of reversals. We will transparently report on our progress and process once we formally initiate investments in such projects.

(7.54.3.17) Target status in reporting year

Select from:

☑ New

(7.54.3.19) Process for reviewing target

Applied updates its Scope 1 and 2 inventory each year and performs 3rd party assurance of the data to ensure accuracy. The data is the basis of monitoring progress towards the target. An internal Net Zero Leadership Council has been established with representatives from the various stakeholder groups that have responsibility for implementing the Net Zero 2040 Playbook. The group meets every 2 months to discuss and monitor progress towards our milestones and objectives. Annual milestones towards Net Zero are defined through the Strategic Review process, and progress is reported to Applied's executives through the QBR process.
[Add row]

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*0*	*`Numeric input*
To be implemented	*0*	*0*
Implementation commenced	*0*	*0*
Implemented	*13*	*116426*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Lighting

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

944

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

☑ Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

399748

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

434647

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

LED and lighting upgrades across multiple countries and facilities. Cost savings are based on average country electricity prices.

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Heating, Ventilation and Air Conditioning (HVAC)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

251

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

☑ Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

141130

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

1519885

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

HVAC upgrades across multiple countries and facilities. Cost savings are based on average country electricity prices.

Row 3

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Building Energy Management Systems (BEMS)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

577

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

☑ Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

346061

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

519335

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

BEMS upgrades and installations across multiple countries and facilities. Cost savings are based on average country electricity prices.

Row 4

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☑ Wind

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

53580

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

316626

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

Applied Materials signed a 12-year VPPA contract with White Mesa Wind. The project went online in Q4 2021. Annual CO2e savings are calculated using US EPA eGRID ERCOT factors, and monetary savings are based on current US Wind REC prices.

Row 5

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Low-carbon electricity mix

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

12193

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

114223

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ Ongoing

(7.55.2.9) Comment

Silicon Valley Clean Energy is a Community Choice Energy program servicing Applied Materials' Silicon Valley operations with clean energy. Applied Materials undergoes periodic renewals of this utility renewable energy program. Monetary savings are based on current US Wind REC prices.

Row 6

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Low-carbon electricity mix

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

16973

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

100299

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:
☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ Ongoing

(7.55.2.9) Comment

Austin Energy retire their RECs on behalf of their customers as a part of their standard delivery. Monetary savings are based on current US Wind REC prices.

Row 7

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption
☑ Low-carbon electricity mix

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

210

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

1966

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ Ongoing

(7.55.2.9) Comment

San Jose Clean Energy is a Community Choice Energy program servicing Applied Materials' San Jose operations with clean energy. Applied Materials undergoes periodic renewals of this utility renewable energy program. Monetary savings are based on current US Wind REC prices.

Row 8

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

352

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

302247

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

16000000

(7.55.2.7) Payback period

Select from:

☑ >25 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

Applied Materials has installed solar photovoltaic arrays at our facilities located in Sunnyvale, California; Singapore; Bengaluru, India, and Austin, Texas, with estimated CO2 savings of 352 tCO2e annually based on US EPA eGRID and global IEA factors. Monetary savings are based on country-specific electricity prices.

Row 9

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Other, please specify :Unbundled Renewable Energy Certificates (RECs)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

22439

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

132600

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 1-2 years

(7.55.2.9) Comment

Applied Materials undergoes assessments of REC decisions on an annual basis. Purchased unbundled green-E certified, US Wind RECs. Annual CO2e savings are calculated using US EPA eGRID ERCOT factors, and monetary savings are based on current US Wind REC prices.

Row 10

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Large hydropower (>25 MW)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1967

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

46762

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ Ongoing

(7.55.2.9) Comment

Our Alzenau, Germany operations are powered by large hydropower. Annual CO2e savings are calculated using location-based IEA factors. Monetary savings are based on Germany GO prices.

Row 11

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☑ Wind

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

267

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

115546

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 3-5 years

(7.55.2.9) Comment

Applied signed a PPA contract in Taiwan with Energy Helper TCC Corporation to procure 1.2 MW of onshore wind energy over the next four years (project online in FY2023). Annual CO2e savings are calculated using location-based IEA factors. Monetary savings are based on T-REC prices.

Row 12

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Low-carbon electricity mix

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

4382

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

5631

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ Ongoing

(7.55.2.9) Comment

Beijing Electricity Trade Center has a utility renewable energy program servicing Applied Materials' Xi'an sites. Annual CO2e savings are calculated using location-based IEA factors. Monetary savings are based on China GEC prices.

Row 13

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

2290

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

4779

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ Ongoing

(7.55.2.9) Comment

A portion of our electricity consumption in the International Tech Park in Bengaluru, India is offset through rooftop solar PV, which is financed by building owner. Monetary savings are based off India REC prices.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Internal finance mechanisms

(7.55.3.2) Comment

Over time we invest in our infrastructure to improve its energy efficiency and reduce associated GHG emissions. Enhancing building systems such as replacing aging heating and cooling systems or retrofitting lighting systems improves operational efficiencies and supports sustainability initiatives. As we purchase or design and build new buildings, we look for ways to incorporate energy efficiency measures, ensuring we are selecting efficient equipment and lighting, optimizing heating and cooling, and evaluating onsite renewable energy opportunities.
[Add row]

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ Other, please specify **:**SEMI S23 Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment

(7.74.1.3) Type of product(s) or service(s)

Other

☑ Other, please specify **:**More efficient semiconductor manufacturing systems

(7.74.1.4) Description of product(s) or service(s)

Applied Materials offers emissions measurement systems, pollution abatement equipment and consulting services to help our customers reduce their GHG emissions. Our company calculates the energy consumption of our products based largely on SEMI S23 standard and IPCC standards for semiconductor manufacturing, allowing our customers to forecast energy use and emissions related to the operation of our equipment. This data allows our company to work with our customers to improve the environmental performance of our products. The Applied Materials iSystem controller is one example of how our products can help our customers reduce energy and resource consumption in their semiconductor manufacturing operations. In today's semiconductor fab, the focus on saving energy and resources has shifted from facility operations to the subfab, which contains support equipment (pumps, abatement systems, etc.) that can consume around half of the total energy use of the fabrication facility. To reduce energy consumption and conserve natural resources, we offer the Applied Materials iSystem controller, which incorporates a hot standby idle mode in subfab control systems. While monitoring tool operation, the Applied Materials iSystem controller collects valuable data that can be used to generate resource consumption and GHG emissions. Applied Materials has shipped units used to connect more than 5,900 pieces of subfab equipment in customer fabs, thereby supporting customer sustainability initiatives.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Estimating and Reporting the Comparative Emissions Impacts of Products (WRI)

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Use stage

(7.74.1.8) Functional unit used

One year of operating of iSystem controller in a semiconductor fab

(7.74.1.9) Reference product/service or baseline scenario used

Customer energy use and emissions without iSystem enabled

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Use stage

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

84600

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

Our methodology focuses on reductions in energy usage, which are converted to emissions reductions based on the regional grid mix. We are basing the avoided emissions number on a public ESG report from our customer TSMC (source: https://esg.tsmc.com/en/update/responsibleSupplyChain/caseStudy/28/index.html). The information requested on revenue may be considered confidential. We have estimated 1% revenue generated from the low-carbon product but the actual value is 0 and

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1

Row 3

(7.74.1.1) Level of aggregation

Select from:

☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ Other, please specify **:**SEMI S23 Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment

(7.74.1.3) Type of product(s) or service(s)

Power

☑ Other, please specify **:**More efficient semiconductor manufacturing systems

(7.74.1.4) Description of product(s) or service(s)

Awareness of global warming is increasing, and the regulatory push to effect GHG emissions reduction is in full swing. Recognizing this, Applied Materials continues to search for proactive, cost-effective ways of reducing the high global-warming potential (GWP) of the gaseous chemicals used when operating our equipment, such as perfluorocarbon compounds (PFCs), NF3 and SF6. The Applied Materials Aeris-G system is a pre-pump plasma abatement solution that uses less energy by treating the actual process gas volume—a smaller and more concentrated volume than what is treated by post-pump abatement units. The plasma dissociation combined with the low volume of nitrogen in the Aeris-G chamber during abatement minimizes NOx emissions to near zero. The Aeris-G unit operates "on-demand," further reducing operating costs compared to energy-hungry, continuous operation post-pump abatement. The Aeris-G system can be installed within the pump footprint of each chamber. Ideal for existing tool installations, it easily fits into existing exhaust lines and requires only power, nitrogen, cooling water and ultrapure water connections. For new tool installations, Aeris-G saves subfab space, reduces utility and exhaust connections, and minimizes installation costs while improving abatement efficiency.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Other, please specify :Spectral analysis of waste stream to quantitatively measure elimination of GHGs, following EPA methodology

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Use stage

(7.74.1.8) Functional unit used

Per wafer pass through a process tool that is abated through an Aeris-G unit

(7.74.1.9) Reference product/service or baseline scenario used

Process application without any abatement

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Use stage

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0.037

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

This avoided emissions calculation depends highly on the wafer process application. AerisG is typically able to reduce emissions because the system provides destruction removal efficiency DRE 95 typical for CF4 and DRE 99 typical for SF6, CHF3, C3F8, NF3, and C4F8. This calculation is compared to process tools with no abatement (0 DRE) in place. The information requested on revenue may be considered confidential. We have estimated 1% revenue generated from the low-carbon product but the actual value is 0 and

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1

[Add row]

C9. Environmental performance - Water security

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Utility billing or flow meter that is uploaded to our third-party environmental data management software; estimates are calculated when primary data is not available

(9.2.4) Please explain

Applied Materials tracks the total water withdrawals at all owned facilities and large leased facilities through invoices received from the city, municipality or utility provider. The volume of water withdrawal is then documented monthly, as data is available, using our third-party environmental data management software following the receipt of invoices. Data is consolidated and reviewed at a corporate level twice per year at minimum to check for data accuracy and consistency. Water withdrawals at small leased offices and facilities are estimated annually when invoices are not available, based on building type and size.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Utility billing or flow meter that is uploaded to our third-party environmental data management software; estimates are calculated when primary data is not available

(9.2.4) Please explain

Applied Materials tracks water volumes by source at all owned and large leased facilities through invoices received from the utility provider, city or municipality providing the water services. We track groundwater, municipal, fire service, and irrigation water when the data is available. Data is entered into our third-party environmental data management software monthly, following the receipt of invoices. Data is consolidated and reviewed at a corporate level twice per year at minimum to check for data accuracy and consistency.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

Water withdrawals quality is monitored at the site level using automatic water samplers and lab testing.

(9.2.4) Please explain

Applied Materials obtains its water from local, municipal-supplied facilities within the cities, counties, states, or countries where we operate. In the US, municipal water meets all standards under National Primary Drinking Water Regulations. In addition, for application-specific uses, we ensure the quality of water through continuous

onsite testing to meet our process needs, such as creating de-ionized (DI) and filtered industrial water. This only occurs in relevant facilities, such as lab and manufacturing sites.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Utility billing or flow meter that is uploaded to our third-party environmental data management software; estimates are calculated when primary data is not available

(9.2.4) Please explain

Applied Materials uses water supplied by municipalities. Following its use, water that cannot be recycled / reused for other purposes (used in chillers, landscaping, etc.) is discharged to the publicly owned treatment facilities for appropriate wastewater processing. For locations with available data (primarily major manufacturing, lab and large office sites), it is entered into our third-party environmental data management software monthly, following the receipt of invoices. Data is consolidated and reviewed at a corporate level twice per year at minimum to check for data accuracy and consistency. For all other locations, including smaller sites and office leased buildings, we estimate water discharge volumes based on building type and size. We are actively working on improving the quality and quantity of water discharge data.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Quarterly

(9.2.3) Method of measurement

POTW (Publicly owned treatment works) Invoices or flow meter and NPDES report depending on site and permit requirements.

(9.2.4) Please explain

Applied Materials discharges to publicly owned treatment works for appropriate wastewater processing. For locations with available data (primarily major manufacturing, lab and large office sites), it is entered into our third-party environmental data management software monthly, following the receipt of invoices. Data is consolidated and reviewed at a corporate level twice per year at minimum to check for data accuracy and consistency. We are actively working on improving the quality and quantity of water discharge data. For US sites, our NPDES permit requires quarterly monitoring.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

POTW Invoices or flow meter and NPDES report depending on site and permit requirements.

(9.2.4) Please explain

For sites that require wastewater pre-treatment, 100% of wastewater is measured and monitored daily by Digital Chart Recorders and Flow Measurement Systems. We are working on incorporating this data into our third-party environmental data management software, which will require quarterly input of monthly wastewater invoices. For all other wastewater, Applied Materials discharges to publicly owned treatment works for appropriate wastewater processing.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Instrumentation, data logging and monitoring systems, periodic sampling and lab analysis, visual inspection of monitoring equipment and calibration during PMs.

(9.2.4) Please explain

Applied Materials discharges to the publicly owned treatment works for appropriate wastewater processing. 100% of process wastewater complies with the local discharge permits. Where applicable, facilities monitor the quality of all wastewater continuously (daily) through a digital chart recorder and FMS systems to ensure that permitted parameters are effectively met. Every 6 months the discharge pH trend data and effluent sensor calibration records are audited by the regulatory agency. Any out-of-spec effluent parameters result in the diversion of wastewater to a holding tank by the FMS system for further treatment resulting in no discharge of out-of-spec wastewater to the sanitary drain. Local agencies sample our wastewater quarterly to validate our compliance to the discharge permits.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

Emissions to water is not considered material to the company at this time, and therefore it is not measured or monitored on a regular basis. We do not anticipate it becoming relevant in the future but will review periodically to ensure this is the case.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

The temperature of discharged wastewater is not considered material to the company at this time, and therefore it is not measured or monitored on a regular basis. We do not anticipate it becoming relevant in the future but will review periodically to ensure this is the case.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Using water withdrawal (excluding irrigation water) and water discharge, we subtract the two data points for each facility to calculate total water consumption.

(9.2.4) Please explain

Applied Materials tracks total water consumption at all facilities that have access to both water discharge and withdrawal data through invoices received by the utility provider. Smaller sites have very low consumptions because discharges are equal to withdrawals. Water consumption is estimated in all other sites that lack this data, including leased offices and facilities, based on building type and size. We are actively working on improving the quality and quantity of water consumption data via improved data management of wastewater discharge data. Data is consolidated and reviewed at a corporate level twice per year at minimum to check for data accuracy and consistency.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Utility billing or flow meter that is uploaded to our third-party environmental data management software; estimates are calculated when primary data is not available

(9.2.4) Please explain

Applied Materials implements or considers water reuse, as feasible. Water is reused or recycled in our largest manufacturing facility for use in the chiller systems for building temperature management. Several facilities collect and use rainwater for use in landscaping or non-production needs. Alternative uses for water are considered at our operations, wherever feasible. When water is recycled and/or reused, data is entered into our third-party environmental data management software monthly, following the receipt of invoices.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Quarterly

(9.2.3) Method of measurement

Water quality sampling and testing where required by local regulatory requirements or health departments.

(9.2.4) Please explain

The accessibility of clean water for all employees is viewed as a fundamental right by Applied Materials. All owned and leased facilities do and are required to have suitable wash services (i.e., bathrooms, sinks) available for use by employees. Our facilities teams are responsible for ensuring consistent access to WASH services to all workers. As water discharge is tracked at each location, there is not a standardized frequency of measurement across the company. We install water filters in common areas and kitchens to improve quality of potable water.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

2079

(9.2.2.2) Comparison with previous reporting year

Select from:
☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ Higher

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.2.6) Please explain

The decrease in water withdrawal is due to a reduction in irrigation, especially in water-stressed regions, improvements in facility and equipment water efficiency, and post-pandemic supply chain stabilization. In our five-year forecast, we expect an increase in overall water withdrawals as a result of increased business activity and expansion of our operational footprint. Our water intensity by revenue and by headcount has steadily decreased year over year.

Total discharges

(9.2.2.1) Volume (megaliters/year)

1584

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ Higher

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.2.6) Please explain

The decrease in water withdrawal is due to a reduction in irrigation, especially in water-stressed regions, improvements in facility and equipment water efficiency, and post-pandemic supply chain stabilization. In our five-year forecast, we expect an increase in overall water withdrawals as a result of increased business activity and expansion of our operational footprint. Our water intensity by revenue and by headcount has steadily decreased year over year.

Total consumption

(9.2.2.1) Volume (megaliters/year)

494

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ Higher

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.2.6) Please explain

The increase in water consumption from FY22 to FY23 is due to an increase in business activity, specifically at our lab and manufacturing sites that have a higher rate of consumption of water through lab processes or evaporation. In our five-year forecast we expect an increase in overall water consumption as a result of increased business activity and expansion of our operational footprint.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:
☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

273

(9.2.4.3) Comparison with previous reporting year

Select from:
☑ Lower

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in efficiency

(9.2.4.5) Five-year forecast

Select from:

☑ Higher

(9.2.4.6) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

13.13

(9.2.4.8) Identification tool

Select all that apply

☑ WRI Aqueduct

(9.2.4.9) Please explain

The volume withdrawn from areas with water stress slightly decreased from 301 megaliters in FY2022 to 273 megaliters in FY2023. The % withdrawn from areas with water stress stayed about the same from 12.8% in FY2022 to 13.1% in FY23. The decrease in water withdrawal is due to a reduction in irrigation, especially in water-stressed regions and improvements in facility and equipment water efficiency. Overall, Applied Materials operations are not water-intensive. We require water for routine use in office buildings, cooling equipment, labs, etc. However, most operations are not water demanding. Applied Materials takes measures to reduce, reuse and recycle water whenever possible, in all facets of the business. The WRI Aqueduct tool is used on an annual basis to assess and determine water-stressed regions and the potential impact on our operations based on water stress severity. Water-stressed regions are documented and opportunities for water management are discussed at the site level.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Our operations require high purity water and the source is important for its use. Almost all Applied Materials facilities rely on third-party municipal sources of water, and we do not withdraw fresh surface water directly from source.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Our operations require high purity water and the source is important for its use. Almost all Applied Materials facilities rely on third-party municipal sources of water, and we do not withdraw brackish surface/ seawater directly from source.

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

The extraction of groundwater for use is very limited. Currently, we rely only on non-renewable groundwater (see below).

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

1

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Other, please specify

(9.2.7.5) Please explain

Decrease in groundwater (non-renewable) is due to a change in discharge of treated groundwater from sanitary sewer to storm system at one of our California sites. In FY2022, the groundwater treatment system at the California site was undergoing piping and facilities upgrades which resulted in groundwater being diverted to sanitary (City) instead of storm drain. In FY23, the groundwater system upgrades were complete, and the groundwater treatment system discharged to storm drain (typical operation as specified in our NPDES permit). Since the groundwater discharge is going to storm system during normal operation, the groundwater volume reported in FY 2023 for the California site is near zero. The other sites have very minimal groundwater volume compared to the California site.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Source not used.

Third party sources

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

2077

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.7.5) Please explain

Water is obtained from the applicable local municipality-supplied water resources. The decrease in water withdrawal is due to a reduction in irrigation, especially in water-stressed regions, improvements in facility and equipment water efficiency, and post-pandemic supply chain stabilization. Our water intensity by revenue and by headcount has steadily decreased year over year.
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:

☑ Not relevant

(9.2.8.5) Please explain

Source not used.

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:
☑ Not relevant

(9.2.8.5) Please explain

Source not used.

Groundwater

(9.2.8.1) Relevance

Select from:
☑ Not relevant

(9.2.8.5) Please explain

Source not used.

Third-party destinations

(9.2.8.1) Relevance

Select from:
☑ Relevant

(9.2.8.2) Volume (megaliters/year)

1584

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.8.5) Please explain

All of the water used at Applied Materials locations is discharged to the local municipality managed wastewater treatment system. For sites that do not have access to discharge data or invoices, we estimate discharges based on the building type and size. The decrease in water discharge is due to improvements in facility and equipment water efficiency.
[Fixed row]

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Tertiary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

1342

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Higher

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 1-10

(9.2.9.6) Please explain

We have 7 locations that have on-site wastewater treatment to remove solids, neutralize and/or support quality adjustments. The volume of water stated assumes 100% of water discharge at these 7 locations goes through tertiary treatment. We comply with all applicable regulatory standards, including national, state, and local requirements.

Secondary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

We do not discharge water by this method.

Primary treatment only

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

We do not discharge water by this method.

Discharge to the natural environment without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

We do not discharge water by this method.

Discharge to a third party without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Relevant

(9.2.9.2) Volume (megaliters/year)

242

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:
☑ Lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in efficiency

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 91-99

(9.2.9.6) Please explain

A vast majority of our sites discharge water without treatment to the local municipality managed wastewater treatment system. All water discharge is compliant to the POTW standards and we comply with all applicable regulatory standards, including national, state, and local requirements. The decrease from FY22 may be a result in increased water efficiency projects implemented at our sites.

Other

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

We do not discharge water by this method.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

2

(9.3.3) % of facilities in direct operations that this represents

Select from:

☑ 1-25

(9.3.4) Please explain

Two manufacturing/lab sites, one in China, the other in Israel, represent 11% of Applied Materials' overall FY23 water footprint and are located in High and Extremely High overall water risk regions, according to the WRI Aqueduct tool.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

240

(9.3.4) Please explain

Applied Materials uses the RBA's RMI Global Risk Map to review the risk scores of our suppliers. The risk score considers a variety of categories, including water-related risk. Supplier sites are identified based on the water stress index score (which is assessed via the WRI Aqueduct database) – those scoring in the higher risk score threshold that fall within the top 80% of spend are prioritized. Suppliers are familiar with the risk categories that are incorporated in the score because these topics are also included in the RBA Self-Assessment Questionnaire, which suppliers are required to complete before an audit. Approximately 80% of Applied Materials procurement spend is accounted for in these RBA tools.
[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:

☑ Facility 1

(9.3.1.2) Facility name (optional)

Xi'an, China

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

China

☑ Huang He (Yellow River)

(9.3.1.8) Latitude

34.3416

(9.3.1.9) Longitude

108.9398

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

175

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

175

(9.3.1.21) Total water discharges at this facility (megaliters)

147

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

147

(9.3.1.27) Total water consumption at this facility (megaliters)

28

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Lower

(9.3.1.29) Please explain

The decrease in water withdrawal is due to facilities upgrades made at the Xi'an lab local scrubbers to enable water recirculation function, resulting in improved water efficiency. The decrease may also be driven by running the chillers at lower loading (previously running at 100% at FY22), resulting in decrease cooling tower water consumption.

Row 2

(9.3.1.1) Facility reference number

Select from:

☑ Facility 2

(9.3.1.2) Facility name (optional)

Rehovot, Israel

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Israel

☑ Other, please specify **:**Mediterranean Sea, East Coast

(9.3.1.8) Latitude

31.892773

(9.3.1.9) Longitude

34.811272

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

59

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ About the same

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

59

(9.3.1.21) Total water discharges at this facility (megaliters)

45

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

45

(9.3.1.27) Total water consumption at this facility (megaliters)

14

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:
☑ Higher

(9.3.1.29) Please explain

The facilities in Israel are made up of R&D labs manufacturing and testing cleanrooms which require high purity water for their operations. This facility was able to maintain similar water withdrawal compared to the previous reporting year. The increase in consumption is due to different consumption % factor used to estimate consumption for mixed vs lab/manufacturing sites this year compared to previous year.
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

Water consumption / use is validated at each location by reviewing monthly invoices received from the local municipality or service provider. This data is then entered into our internal environmental data management system. We receive third party verification from ERM CVS, which uses International Standard on Assurance Engagements ISAE 3000 (Revised). Assurance level is Limited Assurance.

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Not prioritized based on materiality assessment however it's being considered for future years

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Not prioritized based on materiality assessment however it's being considered for future years

Water discharges – total volumes

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Not prioritized based on materiality assessment however it's being considered for future years

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Not prioritized based on materiality assessment however it's being considered for future years

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Not prioritized based on materiality assessment however it's being considered for future years

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Not prioritized based on materiality assessment however it's being considered for future years

Water consumption – total volume

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Not prioritized based on materiality assessment however it's being considered for future years
[Fixed row]

(9.4.1) Indicate which of the facilities referenced in 9.3.1 could impact a requesting CDP supply chain member.

Row 1

(9.4.1.1) Facility reference number

Select from:

☑ Facility 1
[Add row]

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
	26517000000	*12754689.75*	*Decrease. Applied continues to invest in water efficiency projects across its global facilities and in new construction.*

[Fixed row]

(9.12) Provide any available water intensity values for your organization’s products or services.

Row 1

(9.12.1) Product name

Total company water withdrawals

(9.12.2) Water intensity value

0.078

(9.12.3) Numerator: Water aspect

Select from:

☑ Water withdrawn

(9.12.4) Denominator

Liters / revenue

(9.12.5) Comment

The reported intensity value looks at our total company-wide water withdrawals (L) divided by 2023 Revenue ()

Row 2

(9.12.1) Product name

Total company water consumption

(9.12.2) Water intensity value

0.019

(9.12.3) Numerator: Water aspect

Select from:

☑ Water consumed

(9.12.4) Denominator

Liters / revenue

(9.12.5) Comment

The reported intensity value looks at our total company-wide water consumption (L) divided by 2023 Revenue ()
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances
	Select from: ☑ Yes

[Fixed row]

(9.13.1) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Row 1

(9.13.1.1) Regulatory classification of hazardous substances

Select from:

☑ Candidate List of Substances of Very High Concern for Authorisation above 0.1% by weight (EU Regulation)

(9.13.1.2) % of revenue associated with products containing substances in this list

Select from:

☑ Don't know

(9.13.1.3) Please explain

Concerns of hazardous substances in products relate chiefly to environmental impacts at end of life (and in EU are regulated by the WEEE and RoHS directives). The manufacturing equipment we sell, including related spare parts, are exempt from these directives pursuant to the large-scale stationary industrial tools exemption. Hazardous substances embedded in our products (i.e., that are in our products) do not present human health risks when the products are used as intended. We are currently assessing our product portfolio in context of hazardous substances defined by international regulatory bodies. Due to the complex nature of our products and the number of parts, this is an ongoing project. We are participating in several technical working groups to address this.
[Add row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:

☑ Yes

(9.14.2) Definition used to classify low water impact

Low water impact products are defined as products that use less water (quantity) than either previous models or similar products on the market.

(9.14.4) Please explain

We currently offer low water impact products and are actively researching ways for our products to use less water during their use phase. Our Reflexion LK Prime CMP is currently commercially available and considered to be low water impact because it uses 50% less deionized water compared to an average CMP process. Most recently, we developed the Centura Sculpta patterning system, realizing energy savings of more than 15 kWh per wafer and water savings of 15 liters per wafer. Although we have made strides in developing water-efficient products, most of Applied Materials' equipment has negligible water-related impacts and is inherently "low water impact" - water is chiefly used for cooling purposes and is run through a close-loop system within our tools. Applied Materials is in the process of gathering and modelling further data, including water consumption, as part of our 3x30 initiative; this data will enable a credible approach for qualifying products as low water impact.
[Fixed row]

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	*Select from:* ☑ No, and we do not plan to within the next two years	*Not a material issue for Applied as the company meets and exceeds all wastewater treatment regulations and requirements.*
Water withdrawals	*Select from:* ☑ Yes	*Rich text input [must be under 1000 characters]*
Water, Sanitation, and Hygiene (WASH) services	*Select from:* ☑ No, and we do not plan to within the next two years	*Not a material issue for Applied and is ensured across all global facilities*

	Target set in this category	Please explain
Other	*Select from:* ☑ No, but we plan to within the next two years	*We plan to evaluate other water target opportunities.*

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:
☑ Target 1

(9.15.2.2) Target coverage

Select from:
☑ Site/facility

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals
☑ Reduction in total water withdrawals

(9.15.2.4) Date target was set

10/01/2023

(9.15.2.5) End date of base year

10/31/2019

(9.15.2.6) Base year figure

206790

(9.15.2.7) End date of target year

10/31/2025

(9.15.2.8) Target year figure

206750

(9.15.2.9) Reporting year figure

174790

(9.15.2.10) Target status in reporting year

Select from:

☑ New

(9.15.2.11) % of target achieved relative to base year

80000

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ None, alignment not assessed

(9.15.2.13) Explain target coverage and identify any exclusions

The target covers all annual water usage at Applied's Xi'an, China campus.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

The facility has been continuously managing water use, implementing a variety of conservation measures including upgrading lab scrubbers, rainwater reclamation for landscaping, and capturing reverse osmosis (RO) reject water for toilet flush use. In addition, the site plans to implement various future water savings projects over the next 3-5 years. Water usage in FY23 was 15% below FY19 levels at the campus.

(9.15.2.16) Further details of target

Aim to reduce water usage at Applied's Xi'an campus (which is located in a high water risk region) below FY19 levels. The water usage target is in m3.

Row 2

(9.15.2.1) Target reference number

Select from:

☑ Target 2

(9.15.2.2) Target coverage

Select from:

☑ Site/facility

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☑ Increase in water use met through recycling/reuse

(9.15.2.4) Date target was set

10/01/2023

(9.15.2.5) End date of base year

10/31/2019

(9.15.2.6) Base year figure

24

(9.15.2.7) End date of target year

10/31/2025

(9.15.2.8) Target year figure

26

(9.15.2.9) Reporting year figure

33

(9.15.2.10) Target status in reporting year

Select from:

☑ New

(9.15.2.11) % of target achieved relative to base year

450

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ None, alignment not assessed

(9.15.2.13) Explain target coverage and identify any exclusions

The target covers the total water recycling rate for Applied's B34 manufacturing site in Austin, TX

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

The facility implemented a system to recycle DI reject water to the site's cooling towers. The site is continuing to optimize the system to increase recycling rate. The site recycled over 6.5M gallons of water in FY23, achieving a 33% recycling rate vs. 24% in FY19

(9.15.2.16) Further details of target

Aim to increase the water recycling rate at B34 from FY2019 Levels (24%). The target is calculated as the % of total water use at the site that is reused/or recycled at the facility.
[Add row]

(9.15.3) Why do you not have water-related target(s) and what are your plans to develop these in the future?

(9.15.3.1) Primary reason

Select from:
☑ Other, please specify **:**Managed by Site

(9.15.3.2) Please explain

All manufacturing locations have registered ISO 14001:2015 certifications or are on track to receive certification, which drive continual improvement at each location, including water conservation opportunities. The sites identify resource conservation, including water, and develop and implement conservation or reduction activities, as applicable. Tracking of water use is fed into Applied Materials' centralized environmental data tracking system. Sites consider water-minimization initiatives as appropriate and feasible. Applied Materials is in the process of evaluating both site-level and corporate water efficiency goals.
[Fixed row]

C10. Environmental performance - Plastics

(10.1) Do you have plastics-related targets, and if so what type?

(10.1.1) Targets in place

Select from:

☑ Yes

(10.1.2) Target type and metric

Plastic polymers

☑ Reduce the use of polymers with properties that may hinder their reusability, recyclability and disposal

Plastic packaging

☑ Reduce the total weight of plastic packaging used and/or produced

(10.1.3) Please explain

Reduce polybag thickness from 6mil to 4mil, reduce smaller bags from 4mil to 3mil, and eliminate double bagging where unnecessary. Reduce thickness of 5mm PP boxes to 4mm, and optimize or remove foam from crate bases where it is not needed. We are also reducing the foam in our crates and have seen a downward trend as mapped from our supplier.
[Fixed row]

(10.2) Indicate whether your organization engages in the following activities.

Production/commercialization of plastic polymers (including plastic converters)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This activity does not apply to our operations.

Production/commercialization of durable plastic goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This activity does not apply to our operations.

Usage of durable plastics goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☑ Yes

(10.2.2) Comment

We have moisture barrier bags which are a 3 layer laminate of PET, Aluminum and PE. These are not recyclable

Production/commercialization of plastic packaging

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This activity does not apply to our operations.

Production/commercialization of goods/products packaged in plastics

(10.2.1) Activity applies

Select from:
☑ Yes

(10.2.2) Comment

We double and triple wrap our parts and systems with LDPE plastic bags. These are all virgin resin as it needs to be due to cleanliness concerns

Provision/commercialization of services that use plastic packaging (e.g., food services)

(10.2.1) Activity applies

Select from:
☑ Yes

(10.2.2) Comment

We double and triple wrap our parts and systems with LDPE plastic bags. These are all virgin resin as it needs to be due to cleanliness concerns

Provision of waste management and/or water management services

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

This activity does not apply to our operations.

Provision of financial products and/or services for plastics-related activities

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

This activity does not apply to our operations.

Other activities not specified

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

This activity does not apply to our operations.
[Fixed row]

(10.4) Provide the total weight of plastic durable goods and durable components produced, sold and/or used, and indicate the raw material content.

	Please explain
Durable goods and durable components used	*Data is unknown at this time.*

[Fixed row]

(10.5) Provide the total weight of plastic packaging sold and/or used and indicate the raw material content.

	Please explain
Plastic packaging used	*Data is unknown at this time.*

[Fixed row]

(10.5.1) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Please explain
Plastic packaging used	*Data is unknown at this time.*

[Fixed row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Actions taken in the reporting period to progress your biodiversity-related commitments
	Select from: ☑ No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	*Select from:* ☑ No	*Applied does not operate near this type of area*
UNESCO World Heritage sites	*Select from:* ☑ No	*Applied does not operate near this type of area*
UNESCO Man and the Biosphere Reserves	*Select from:* ☑ No	*Applied does not operate near this type of area*
Ramsar sites	*Select from:* ☑ No	*Applied does not operate near this type of area*
Key Biodiversity Areas	*Select from:* ☑ No	*Applied does not operate near this type of area*
Other areas important for biodiversity	*Select from:* ☑ No	*Applied does not operate near this type of area*

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Electricity/Steam/Heat/Cooling consumption

☑ Fuel consumption

☑ Renewable Electricity/Steam/Heat/Cooling consumption

☑ Other data point in module 7, please specify :Energy intensity [MWh/employee and MWh/million dollars of revenue]

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Total energy consumption MWh Total electricity consumption MWh Total renewable energy consumption MWh Percentage renewable electricity consumption Scope 1 and 2 emissions intensity by revenue Scope 1 and 2 emissions intensity by employee headcount

(13.1.1.5) Attach verification/assurance evidence/report (optional)

AMAT Final Limited Assurance Report - CDP_13Sept2024.pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

	Additional information
	N/A

[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

President and Chief Executive Officer

(13.3.2) Corresponding job category

Select from:

☑ Chief Executive Officer (CEO)

[Fixed row]